

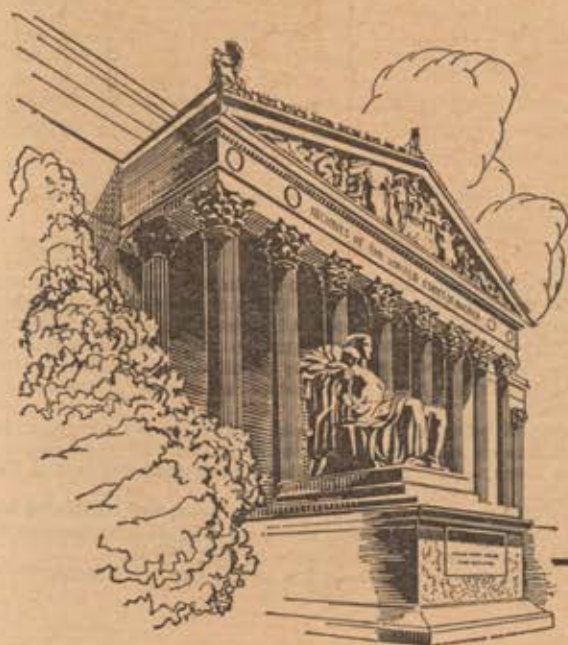
FEDERAL REGISTER

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Agricultural Research Service
Agricultural Stabilization and
Conservation Service
Agriculture Department
Atomic Energy Commission
Business and Defense Services
Administration
Central Intelligence Agency
Civil Aeronautics Board
Civil Service Commission
Commodity Credit Corporation
Consumer and Marketing Service
Federal Aviation Administration
Federal Power Commission
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SUBCHAPTER G—DETERMINATION OF PROPORTIONATE SHARES

PART 855—MAINLAND CANE SUGAR AREA

Proportionate Shares for Farms; 1968 Crop

- Sec.
 855.37 Definitions.
 855.38 General provisions.
 855.39 State acreage allocations.
 855.40 Determination of farm bases for old-producer farms.
 855.41 Establishment of shares for old-producer farms.
 855.42 Shares for reconstituted farms.
 855.43 Redetermination of bases and shares because of use of incorrect data.
 855.44 Reallocation of unused acres.
 855.45 Establishment of shares for new-producer farms.
 855.46 Appeals or corrections.

AUTHORITY: §§ 855.37 to 855.46 issued pursuant to sec. 302, Sugar Act of 1948, as amended (sec. 403, 61 Stat. 932; 7 U.S.C. 1153; secs. 301, 302, 61 Stat. 929, 930, as amended; 7 U.S.C. 1131, 1132).

§ 855.37 Definitions.

For the purpose of this part, the terms: (a) "Act", "Secretary", "Deputy Administrator", "State committee", "county committee", "producer", "operator", "proportionate share", "share", "accredited acres", "accredited acreage" and designation of a crop of sugarcane by year shall have the meanings set forth in § 892.1 of this chapter.

(b) "Farm" shall have the meaning set forth in Part 822 of this chapter.

(c) "Cane" means sugarcane.

(d) "Old-producer farm" means a farm which includes land that comprised a farm or part of a farm for which a share was established for the 1967 crop pursuant to §§ 855.27, 855.29 and 855.32.

(e) "New-producer farm" means any farm that is not an old-producer farm.

§ 855.38 General provisions.

Regulations pertaining to general conditional payments provisions are set forth in Part 892 of this chapter. Such regulations include provisions in regard to conditions which must be met to be eligible for payment, instructions for filing applications for payment, requirements for harvesting within the farm share and for disposing of acreage in excess of the farm share. Also included are provisions covering sharecropper or share tenant protection, farm accredited acreage records, erroneous notice of the farm share or of excess acreage, acquisition of farmland by the right of eminent domain including the transfer of the

share from the land so acquired to other land in the State, and provision for redetermination and review of determinations by county and State committees or the Deputy Administrator. Provisions pertaining to certification of acreage and land use in lieu of farm inspection and measurement are set forth in Part 718 of this title and in § 892.4 of this chapter. Provisions governing requests and appeals by producers for reconsideration or review of determinations by county or State committees or the Deputy Administrator are set forth in Part 780 of this title.

§ 855.39 State acreage allocations.

The acreage allocation for each State shall be the sum of the acreages specified for the State in the following paragraphs:

(a) 188,200 acres for Florida and 301,550 acres for Louisiana.

(b) Any acreage used to establish shares for new-producer farms pursuant to § 855.45 within a set-aside of 150 acres for Florida and 250 acres for Louisiana.

(c) Any acreage used to adjust shares for old-producer farms pursuant to §§ 855.43 and 855.46 within a set-aside of 200 acres for Florida and 320 acres for Louisiana.

§ 855.40 Determination of farm bases for old-producer farms.

The county committee for the county in which the farm headquarters is located shall determine a farm base for each old-producer farm or a portion thereof for the 1968 crop of sugarcane as follows:

(a) For each old-producer farm, as constituted for the 1967 crop at the time the 1968-crop share is established, such base shall be the 1967-crop accredited acreage record of the farm, except that if the county committee determines that the 1967-crop accredited acreage is less than the original 1967-crop share established pursuant to § 855.27, § 855.29 or § 855.32 for the farm because of reasons beyond the control of the operator, or if the 1967-crop accredited acreage record of the farm is less than such share but is at least 90 percent of such share, the farm base will be such 1967 share. If it is known at the time farm bases are to be determined that 1968-crop acreage will not be harvested on a farm for which a base could be established, and the land was not acquired under right of eminent domain, a base will not be established.

(b) For each old-producer farm or for each part of an old-producer farm which was removed from sugarcane production in its entirety by acquisition after the 1964 crop was harvested from such land by a Federal, State, or other agency or entity entitled to exercise the right of eminent domain, and the owner of such land did not have the State committee

add the 1967-crop share established for such farm or part pursuant to § 855.27 or § 855.29 to the 1967-crop share established for other land owned by such owner under the provisions of § 855.28, the farm base shall be the 1967-crop share established for the farm or part pursuant to § 855.27 or § 855.29.

§ 855.41 Establishment of shares for old-producer farms.

The county committee shall establish a 1968-crop share for any farm for which a farm base is determined by applying to such farm base an adjustment factor determined by the State committee by dividing the acreage made available to the State in § 855.39(a) by the total of the bases established for all old-producer farms in the State pursuant to § 855.40. The share established by applying the adjustment factor to a farm base determined pursuant to § 855.40(b) shall, as provided in § 892.18 of this chapter, be added to the 1968-crop share, if any, established by applying the adjustment factor to a farm base determined pursuant to § 855.40(a) for other land in the State owned by the owner of the land who lost acreage under the right of eminent domain upon application to the State committee by such owner as provided in § 892.18 of this chapter. Provision is made in § 892.18 of this chapter, for holding a share or part thereof in reserve for the future use of the owner of land acquired by the right of eminent domain.

§ 855.42 Shares for reconstituted farms.

If the county committee determines, after a 1968-crop share is established for the farm, that the 1968-crop farm will not be comprised of the same land as that included in the 1967-crop farm used as the basis for establishing the share, or that the farm was not properly constituted for the 1968 crop pursuant to the definitions of a farm and an operator, the farm or farms involved shall be reconstituted in accordance with such definitions. A share shall be determined as follows for the reconstituted farm.

(a) *Subdivision.* The share for each subdivision of a farm which is subdivided shall be the portion of the 1968-crop share established for the farm pursuant to § 855.41, including any adjustments made in such share pursuant to § 855.44 or § 855.46, determined for each subdivision in accordance with the method used for dividing the accredited acreage record of the farm set forth in § 892.9 of this chapter. However, if the share as so determined for any subdivision is greater than the acreage growing on the subdivision for 1968-crop harvest, the county committee shall reduce the share for such subdivision to the acreage growing thereon, except that such reduction shall not be made if the county committee determines that acreage of sugarcane on the subdivision was plowed down

without the approval of the person acquiring the subdivision in order to obtain larger proportionate shares on the other subdivision or subdivisions. If such reduction is made, the acreage made available shall be used to increase the share of each of the other subdivisions of the parent farm on which the acreage growing for 1968-crop harvest exceeds the share determined for such subdivision, and such distribution of acreage by the county committee shall be prorated on the basis of the acreage growing on each subdivision and shall not result in the sum of the shares of the subdivisions exceeding the parent farm's share before division.

(b) *Combinations.* The share for a reconstituted farm consisting of a combination of old-producer farms, a combination of subdivisions of such farms or combination of such farms and such subdivisions shall be the sum of the 1968-crop shares for such farms and subdivisions of such farms.

(c) *New-producer farm.* The 1968-crop share established for a new-producer farm which is subdivided shall be prorated to the subdivisions by the percentage ratio that the acreage of cane growing on each subdivision is to the total acreage of cane growing on the farm.

(1) *Combined before planting.* If a new-producer farm or subdivision thereof is combined with an old-producer farm or subdivision thereof prior to the planting of sugarcane on the new-producer farm the share established for the new-producer farm or portion of such share determined for the subdivision shall be cancelled and the share established for the old-producer farm or subdivision thereof shall be the share for the reconstituted farm.

(2) *Combined after planting.* If a new-producer farm or subdivision thereof is combined with an old-producer farm or subdivision thereof after sugarcane has been planted on the new-producer farm, the share established for the new-producer farm or portion of such share determined for the subdivision shall be added to the share established for the old-producer farm or subdivision thereof, unless the county committee determines that the operator of the new-producer farm, at the time he made application for a new-producer farm share, had begun negotiations or had arranged to subsequently transfer the new-producer farm to the operator of an old-producer farm. If such determination is made, the share established for the new-producer farm or portion of such share determined for the subdivision shall be cancelled and the share established for the old-producer farm or subdivision thereof shall be the share for the reconstituted farm.

§ 855.43 Redetermination of bases and shares because of use of incorrect data.

Where incorrect data was used in determining a farm base or establishing a share, such share shall be canceled and a new base shall be computed in

accordance with § 855.40 using the correct data. A new share shall be established for the farm by applying the factor obtained pursuant to § 855.41 to the new farm base. Any acreage by which the incorrect share exceeds the newly established share shall first be used to increase shares for farms whose shares were incorrectly established at levels lower than that to which they were entitled. Any acreage remaining shall be reallocated under the provisions of § 855.44.

§ 855.44 Reallocation of unused acres.

(a) *Eligibility.* The operator of any old-producer farm may request an increase in the share established for his farm.

(b) *Filing requests for additional acreage.* Requests shall be filed in Florida at the Hendry ASCS County Office not later than June 30, 1968, and in Louisiana requests shall be filed not later than January 12, 1968, in the ASCS county office in which the farm headquarters is located and if a farm is located in more than one county, in the ASCS county office in which the part of the farm on which additional acreage will be utilized is located. However, late requests filed by operators before a distribution of unused acreage may be accepted as timely filed requests if the State committee determines that such operators delayed filing for reasons beyond their control, and late requests may be accepted prior to harvest if there is acreage still available after filling all requests considered as timely filed under this paragraph.

(c) *Increasing shares.* Acreage to be reallocated pursuant to paragraph (d) of this section shall be used to increase the shares of old-producer farms whereon additional acreage may be used and requests have been filed pursuant to paragraph (b) of this section by considering the ability of the farm operator to use additional acreage in light of (1) availability and suitability of land, (2) availability of production and marketing facilities, (3) rotation practices, (4) maintenance of a proper relationship between total cane acreage and suitable cropland, and (5) the need for minimum acreage in a mill area.

(d) *Methods for reallocating unused acreage.* In consideration of the criteria set forth in paragraph (c) of this section, unused old-producer farm proportionate share acreage, not to exceed the total of the acreage of shares reduced pursuant to paragraph (f) of this section excluding any acreage reserved by the State committee pursuant to § 892.18 of this chapter, shall be used to increase shares of farms, the operators of which have timely filed requests pursuant to paragraph (b) of this section, as follows: (1) In Florida, the State committee shall determine and inform the county committees of increases to be made in the share for each farm. (2) In Louisiana, the county committee of each county will determine the unused proportionate share acreage on farms with headquarters in the county. The unused acreage so determined shall be used

by such committee to increase the share for each farm or part of a farm located in the county. The increase in the share for a farm with headquarters in the county may be utilized on any part of such farm. However, any increase which is granted to a part of a farm must be planted on the part of the farm located in the county granting the increase. Any unused acreage remaining in any county in Louisiana after all requests have been satisfied shall be released to the State committee. The Louisiana State Committee shall distribute such acreage to other counties in which the total of the additional acreages requested exceeds the unused acreages. Such distribution shall be made on the basis of the percentage relationship between the total of the shares established pursuant to § 855.41 for all farms in each such county and the total of the shares so established for all farms in all such counties. *Provided,* That the acreage distributed to any county shall not exceed the total acreage needed to increase shares to the extent requested for farms in such county.

(e) *Limitations.* The Florida State Committee and the county committees in Louisiana shall not increase a share by an amount in excess of that requested or increase a share to cover acreage which was previously abandoned regardless of the cause of such abandonment.

(f) *Reduction in shares.* If the county committee determines for any old-producer farm that the total of the 1968-crop acreage of cane to be harvested for sugar and seed and the acreage of cane on the farm which has been abandoned to the extent of fulfilling at least the requirements set forth in paragraph (c) (1) (i) and (ii) of § 845.2 of this chapter is less than the farm's 1968-crop share, including any adjustment made pursuant to this section or § 855.46, the share shall be reduced to the level of such total 1968-crop acreage.

§ 855.45 Establishment of shares for new-producer farms.

(a) *Filing requests.* A person desiring a share for a new-producer farm shall file a request (in Florida, at the Hendry ASCS County Office) not later than November 15, 1967, and in Louisiana at the local ASCS county office not later than September 15, 1967. Late requests may be accepted if the State committee determines that the person delayed filing for reasons beyond his control or there is acreage still available after filing all timely filed requests.

(b) *Rating of applicants.* Subject to review and redetermination by the State committee, the county committee shall rate the applicant as "qualified" or "not qualified" to utilize a new-producer farm share by considering (1) the availability and suitability of land, (2) availability of production and marketing facilities, and (3) whether the land on which cane will be grown is under his control through ownership or lease and such land was not included in an old-producer farm:

Provided, That no applicant will be rated as "qualified" unless the county committee determines he will be the operator of the farm as defined in paragraph (1) of § 892.1 of this chapter.

(c) *Size of share.* Each share shall be 50 acres, or a lesser acreage if requested, or such lesser acreage as the State committee determines if either the county or State committee determines that the available cropland will not support a share of 50 acres.

(d) *Establishing shares.* The State committee shall establish a share for the new-producer farm of each "qualified" applicant if the acreage provided in § 855.39(b) is sufficient to establish such shares. If there is insufficient acreage, selection of "qualified" applicants to receive shares shall be by lot. Each drawing shall be supervised by a representative of the State committee. Persons included in a drawing shall be given advance notice and an opportunity to attend. Names (or farm numbers) shall be placed in a container and shall be indistinguishable to the person making the "draws". The person in charge shall announce the method of selection before the drawing.

(e) *Use of set-aside.* All acreage set aside for new producers shall be allotted to qualified new producers, if there are sufficient requests for such acreage.

§ 855.46 Appeals or corrections.

After the county committee has acted on its own initiative or on a request for reconsideration of the establishment of a share for an old-producer farm and has found that such share was in error because of the use of incorrect data or misapplication of the regulations in this part, the State committee, upon its own initiative or upon application of the operator, may within the acreage available under § 855.39(c) increase the share for such farm to a level so as to give effect to the use of correct data or proper application of the regulations in this part.

STATEMENT OF BASES AND CONSIDERATIONS

Sugar Act requirements. The provisions with respect to producer compliance with the conditions for receiving payment, the basis for such payment, considerations required for establishing individual shares, and the protection of interests of new and small producers, tenants and sharecroppers are set forth in sections 301 and 302 of the Act (7 U.S.C. 1131, 1132).

General. The Act requires that shares be established for farms in an area for a given crop when the Secretary determines that production will be greater than the quantity needed to enable the area to meet the quota and provide a normal carryover inventory as estimated by the Secretary for such area for the calendar year during which the larger part of the sugar from such crop normally would be marketed.

Shares were required in the Mainland Cane Sugar Area for the 1965, 1966 and 1967 crops. The total acreage allocated to the area for the 1967 crop was about 1,800 acres more than that made available for the preceding crop. This addi-

tional acreage was provided for establishing shares for new-producer farms and for increasing shares of old-producer farms to correct errors. Present information indicates that less than half of this acreage was used for these purposes.

Sugar production from the 1966 crop amounted to 1,215,000 tons or 115,000 tons in excess of the area's 1966 quota. The effective inventory of sugar on January 1, 1967, was 780,000 tons. The 1967-crop is progressing extremely well and it appears that production will substantially exceed the area's marketing quota for calendar year 1967. It seems now that the effective inventory of sugar on January 1, 1968, will be larger than a year earlier and larger than the top of the range (60 to 70 percent of the following year's quota) indicated by the Congress as appropriate when the quota for the area was increased in 1965.

In the absence of restrictions, 1968-crop acreage would probably exceed that for the 1967 crop and the production of sugar from such crop would exceed the quantity needed to enable the area to meet its quota and provide a normal carryover inventory. Hence, restriction of the 1968-crop acreage to the extent provided by this regulation appears necessary.

Public hearing. On May 10, 1967, an informal public hearing was held in Miami Beach, Fla., to obtain the views and recommendations of interested persons on all matters relating to establishing 1968-crop shares. In the press release announcing the hearing, the Department proposed as a basis for discussion that the separate State allocations be established at the total of final 1967-crop shares in each State factored to the level of the acreage required to bring sugar supplies into line with quota and carryover requirements. The release suggested that in view of the expected effective inventory of sugar on January 1, 1968, careful consideration must be given to the level of 1968-crop acreages to avoid a further accumulation of sugar in excess of quota and carryover needs. The Department proposed to set aside acreage within each State allocation for establishing shares for new farms and handling appeals. Recommendations were requested as to the level of these set-asides. It was proposed that farm bases for old-producer farms be established in the same manner as for the 1967 crop. Bases would be the larger of (a) the farm's 1967-crop acreage record, or (b) the 1967-crop farm's original share if the farm operator used at least 90 percent of such share or used less than 90 percent for reasons beyond his control. The Department suggested that an appropriate adjustment factor be applied to the farm base to compute each share, except that farms having small bases would not be subject to factoring. Recommendations were requested as to what should be considered as a small base. The release also proposed that provisions would be made to permit each State to utilize its total allocation through distribution of unused acres to other farms which could use additional acreage.

The spokesman for the American Sugarcane League, representing all the sugarcane processors in Louisiana and farmers who produce more than 95 percent of the sugarcane in the State and also the Louisiana Farm Bureau Federation made several recommendations including the following: (1) That the 1968-crop acreage level be 95 percent of the 1967 acreage level; (2) that separate State acreage objectives and allocations be established with a provision to permit each State to reach its objective; (3) that the objective or desirable acreage to produce sugarcane be the sum of (a) the total of final 1967-crop shares factored by 95 percent, (b) acreage needed for eminent domain purposes, (c) 100 acres for Florida and 150 acres for Louisiana for increasing shares granted on appeals, rectifying misapplication of the regulation or errors and for other contingencies, and (d) 125 acres for Florida and 200 acres for Louisiana for new-producer shares of 25 acres each; (4) that the acreage allocation consist of (a) the sum of 1967-crop original shares plus utilized adjustments in such shares factored by 95 percent and (b) the items included in the acreage objective for new-producers, appeals and for purposes of eminent domain; (5) that a compensating adjustment be made in the 1969-crop acreage objective if an error is made in estimating 1968-crop unused acreage causing the State to exceed or fall short of its 1968-crop objective; (6) that for Louisiana the farm base be the 1967-crop share originally established plus any adjustment in such share that was utilized; (7) that the farm share for each farm be 95 percent of its base; (8) that the acreage becoming available for the new-producer set-aside which is not used for that purpose and the acreage covered by shares which is lost to industrial or residential development be used to increase shares of other farms; and (9) that the sugarcane acreage record of a farm which is to be divided be credited to its subdivisions in a manner agreed upon by the interested parties.

The spokesman for Florida Sugar Cane League, representing all the sugarcane processors in Florida and 98 percent of the producers in the State, made several recommendations including the following: (1) That the 1968-crop acreage level for the area be approximately 95 percent of the 1967 acreage level; (2) that State allocations not be established; (3) that the farm base for old-producer farms be established as set forth in the Department's press release; (4) that each share be established at 95 percent of the farm base and that such factor be applied to bases of all farms in the area; (5) that new-producer shares be established at 25 acres from a set-aside of 125 acres for Florida and 200 acres for Louisiana and that such set-aside be in addition to the State allocation; (6) that 100 acres for Florida and 150 acres for Louisiana be provided for handling appeals which also shall be in addition to the State allocation; (7) that provision not be included to permit the reallocation of unused acres to other farms; and (8) that

the sugarcane acreage record of a farm which is to be divided be credited to its subdivisions in a manner agreed upon by the interested parties.

However, a representative of the Florida Sugar Corp. observed that the present uneconomic level of that corporation's operations would not permit agreement to any decrease in acreage. Also, a representative of the Atlantic Sugar Association outlined the past hardships incurred by its members, objected to the imposition of any cutback in acreage and requested that the Secretary find a basis for granting relief to the Association.

Regulation. This regulation provides separate State allocations of 302,120 acres and 188,550 acres for Louisiana and Florida, respectively, within which shares may be established. For each State, the allocation will represent the sum of (1) 95 percent of the 1967-crop allocation and (2) the small acreage made available for establishing shares for new-producer farms and increasing shares of old-producer farms to correct errors.

A base will be determined for each farm as constituted for the 1967-crop by using the same method as that adopted for the 1967-crop. It will be at the level of the larger of the 1967-crop accredited acreage record of the farm or the 1967-crop original share established for the farm if the farm operator utilized at least 90 percent of such share or was prevented from utilizing such percentage of the share for reasons beyond his control. Thus, unless an operator willingly underplanted by more than 10 percent, the base for each farm will not be less than the original 1967-crop share for the farm. A base will also be determined for any farm for which production was lost or reduced after 1964-crop harvest through the transfer of acreage to an agency having the right of eminent domain. The foregoing method of determining farm bases will make it unnecessary for growers to plant in small fields or cuts to fully utilize their shares merely to maintain acreage history. As for the prior crop, bases will not be determined for farms if it is known that cane will not be growing for 1968-crop harvest. This will make the acreage for any farm going out of production available to other farms at the time shares are initially established.

The adjustment factor is to be applied to all old-producer farm bases, both large and small, as recommended by spokesmen of the Florida and Louisiana groups. It is estimated that about 3,000 acres will be reallocated in Louisiana in 1967. The 1968 farm bases for the farms to which reallocations were made in 1967 will reflect increases. Generally, compensating decreases will not be made in the bases for the farms from which the reallocations were made. Hence, it is likely that the factor to be applied to farm bases in Louisiana may be slightly less than 95 percent. In Florida, there was little unused acreage in 1967. Therefore, the factor should not be lower than 95 percent.

The factor also will be applied to bases determined for farms whose owners lost land because of eminent domain since 1964-crop harvest was completed. In these cases, the share will be limited to that acreage for which the owner applies for use in the 1968 crop. If application is made for only a portion of the acreage which was removed from production, the balance will be held by the State committees for future use of the owner.

As for the past crop, utilization of the total of the shares in each State is made possible through the reallocation of unused acres to other farms whereon additional acreages may be used. In Louisiana, operators of farms located in more than one county shall file a request for additional acreage at the county office where the farm headquarters is located and also at offices where parts of their farm are located. The county committees in Louisiana are authorized to immediately assign unused acreage as soon as underplantings are known. Thus, it will now be possible where a farm comprises land in more than one county to increase the shares of such farms by utilizing available unused acreage in all counties where parts of the farm are located. Requests for increases in shares made by the operators of farms in a county other than the headquarters shall be given the same consideration as requests made by operators whose farms are headquartered in the county. However, the increase in the share made to a part of a farm must be utilized in the county granting the increase. If the total underplantings in a county exceed the demand for additional acreage, the excess will be made available to the State committee for distribution to other counties.

In Florida, where unused acreage is not substantial, provision is made for the State committee to reallocate unused acreage within the entire growing area. Guidelines are provided the committees for consideration in reallocating the unused acreages.

Small acreages are provided for establishing new-producer shares and to correct any errors made in establishing shares caused by the use of incorrect data or the improper application of the provisions of the regulations. Shares for new producers will be established at a level of 50 acres or a lesser acreage, if requested. In view of the economic factors involved in beginning a new sugarcane operation, including the purchase of specialized farm equipment, a proportionate share at a 50-acre level is provided rather than the 25-acre level recommended by the spokesmen for the Florida and Louisiana groups. Any of the acreages set aside specifically for establishing new-producer shares or for correcting errors which are not used for these purposes may not be distributed to other farms.

No action is being taken at this time to change the method for crediting sugarcane acreage history of farms involved in reconstitutions, as suggested by

industry spokesmen. It is believed that the present rule which provides three alternative ways of assigning the parent farm's acreage record to its subdivisions affords sufficient latitude among the parties involved to agree to an equitable distribution and at the same time provides adequate safeguards to prevent the sale or improper handling of proportionate shares.

The other provisions of this regulation are generally similar to those which were in effect for the 1967 program. Certain provisions which were heretofore incorporated in each proportionate share regulation are now included in the General Conditional Payments Provisions. They cover requirements for harvesting within the farm share, disposition of acreage in excess of the farm share, protection of sharecroppers and share tenants and acquisition of farm land by the right of eminent domain.

The 1968-crop sugarcane acreages resulting from this regulation should provide a quantity of sugarcane which will enable the area to meet its quota under the Act and provide a normal carryover inventory.

The provisions of this regulation provide an equitable basis for establishing shares for farms in the area for the 1968-crop of sugarcane.

Accordingly, I hereby find and conclude that the foregoing regulation will effectuate the applicable provisions of the Act.

Effective date: Date of publication.

Signed at Washington, D.C., on July 18, 1967.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 67-8478; Filed, July 20, 1967;
8:47 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[CCC Grain Price Support Regs.; Rev. 1, Amdt. 1]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—General Regulations Governing Price Support for 1964 and Subsequent Crops

FORMS

Correction

In F.R. Doc. 67-5982, appearing at page 7843 of the issue for Tuesday, May 30, 1967, item 1 should read as follows:

1. The table of contents is amended to add a new § 1421.79 which reads as follows:

Sec.
1421.79 Forms.

[CCC Grain Price Support Regs.; 1967-Crop Wheat Supplement]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1967 Crop Wheat Loan and Purchase Program

SUPPORT RATES, PREMIUMS, AND DISCOUNTS

Correction

In F.R. Doc. 67-6361, appearing at page 8283 of the issue for Friday, June 9, 1967, in § 1421.2185(b), the rate per bushel entry for Madison County, Va., should read "\$1.38" instead of "\$1.98".

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

SUBCHAPTER C—INTERSTATE TRANSPORTATION OF ANIMALS AND POULTRY

PART 76—HOG CHOLERA AND OTHER COMMUNICABLE SWINE DISEASES

Miscellaneous Amendments

Pursuant to provisions of the Act of May 29, 1884, as amended, the Act of February 2, 1903, as amended, the Act of March 3, 1905, as amended, and the Act of September 6, 1961 (21 U.S.C. 111-113, 114g, 115, 117, 120, 121, 125), Part 76, Title 9, Code of Federal Regulations, restricting the interstate movement of swine and certain products because of hog cholera and other communicable swine diseases, is hereby amended in the following respects:

1. Section 76.1(f) is amended by changing subparagraph (3) and adding a new subparagraph (4) to read, respectively, as follows:

§ 76.1 Definitions.

- (f) *Virulent hog cholera virus.* . . .
- (3) In living hog cholera virus vaccine commonly known as hog cholera vaccine, live virus modified, porcine origin; or
- (4) In any other modified live virus vaccine which has not been approved by the Director of Division pursuant to the provisions of § 76.16(c).

2. The heading of § 76.5 and the portion of said section preceding paragraph (a) (1) are amended to read, respectively, as follows:

§ 76.5 Interstate movement of swine treated with nonapproved modified live virus vaccine or other virulent hog cholera virus prohibited except as provided.

Swine treated with a modified live virus vaccine which has not been approved by the Director of Division pursuant to the provisions of § 76.16(c), or with other virulent hog cholera virus, shall not be moved interstate except that:

- (a) Swine treated with a nonapproved modified live virus vaccine, not of por-

cine origin, prior to July 25, 1967, or treated with other virulent hog cholera virus prior to April 1, 1966, and not known to be affected with or otherwise exposed to hog cholera may be moved interstate if:

3. Section 76.9(b) is amended by changing the portion of said paragraph preceding subparagraph (1) to read as follows:

§ 76.9 Movements from public stockyards, or approved stockyards or live-stock markets.

(b) Simultaneous inoculation method: Swine required under this section to be treated shall be given simultaneous inoculation with antihog cholera serum or antibody concentrate and modified live virus vaccine, prepared under license from the Secretary of Agriculture. Such vaccine must also be approved by the Director of Division pursuant to the provisions of § 76.16(c). The dosage of serum or antibody concentrate used with modified live virus vaccine shall be as follows:

4. Section 76.10 (a) (1) and (b) (2) are amended to read, respectively, as follows:

§ 76.10 Other movements for feeding, breeding, or exhibition purposes or for sale for such purposes.

(1) Modified live virus hog cholera vaccine prepared under a license issued by the Secretary of Agriculture, approved by the Director of Division pursuant to the provision of § 76.16(c), and administered in accordance with the recommendations on the vaccine label not less than 21 days nor more than one year prior to the date of shipment; or

(2) Such swine have been officially vaccinated within 21 days prior to shipment with the simultaneous inoculation of modified live virus hog cholera vaccine prepared under a license issued by the Secretary of Agriculture, approved by the Director of Division pursuant to the provision of § 76.16(c), and administered in accordance with the dosage recommendations on the vaccine label, and a minimum of 15cc. of antihog cholera serum or a minimum of 7.5cc. of antibody concentrate, also prepared under such a license; or

5. The heading of § 76.16 is amended and a new paragraph (c) is added to read as follows:

§ 76.16 Approval of stockyards and live-stock markets; approval of modified live virus vaccines.

(c) The Director of Division is authorized to approve modified live virus hog cholera vaccines, not of porcine origin, for the purposes of the regulations in this part when he determines that the interstate movement of such vaccines

or swine treated therewith, will not constitute a threat to the hog cholera eradication program, and he is authorized to withdraw approval of any such vaccine when he determines that such action is necessary to effectuate the hog cholera eradication program. A list of modified live virus vaccines approved for the purposes of the regulations will be published in the FEDERAL REGISTER and will appear in this part.

(Secs. 4-7, 23 Stat. 32, as amended, secs. 1, 2, 32 Stat. 791, as amended, 792, as amended, secs. 3, 33 Stat. 1265, as amended, sec. 1, 75 Stat. 481; 21 U.S.C. 111, 112, 113, 114g, 115, 117, 120, 121, 125; 29 F.R. 16210, as amended, 30 F.R. 5799, as amended)

The amendments include certain modified live hog cholera virus vaccines for treatment of swine within the definition in the regulations of virulent hog cholera viruses and restrict the interstate movement of such vaccines and swine inoculated therewith. However they exclude from such restrictions modified live virus vaccines not of porcine origin, which are approved by the Director of Division. Accordingly they authorize the Director of Division to approve modified live virus vaccines for purposes of the regulations in this part and to withdraw such approval in accordance with the requirements of the hog cholera eradication program.

The amendments impose restrictions which are deemed necessary, and should be made effective promptly, to prevent the interstate dissemination of the contagion of hog cholera and effectuate the hog cholera eradication program. Therefore under the administrative procedure provisions of 5 U.S.C. 553, it is found upon good cause that notice and other public procedure with respect to the amendments are impracticable and contrary to the public interest, and good cause is found for making the amendments effective less than 30 days after publication in the FEDERAL REGISTER.

These amendments shall become effective upon publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 17th day of July 1967.

F. J. MULHERN,
Deputy Administrator,
Agricultural Research Service.

[F.R. Doc. 67-8465; Filed, July 20, 1967; 8:46 a.m.]

PART 76—HOG CHOLERA AND OTHER COMMUNICABLE SWINE DISEASES

Approved Modified Live Virus Vaccines

Pursuant to § 76.16(c) of the regulations in Part 76, as amended, Title 9, Code of Federal Regulations, containing restrictions on the movement of swine and certain products because of hog cholera, under the Act of May 29, 1884, as amended, the Act of February 2, 1903, as amended, the Act of March 3, 1905, as amended, the Act of September 6, 1961, and the Act of June 2, 1962 (21 U.S.C. 111-113, 114g, 115, 117, 120, 121, 123-126,

134-134h), a new paragraph (d) is added to § 76.16 of said regulations to read as follows:

§ 76.16 Approval of stockyards and live-stock markets; approval of modified live virus vaccines.

(d) Approved modified live virus vaccines: The following modified live virus hog cholera vaccines have been approved by the Director of Division for purposes of the regulations in this part:

License Number	Brand Name or Description
6-A	Swivax.
48	Vetecine.
52	TCO.
52	Alocine.
52	Colra-Stat.
52	Cutter.
52	Coltracina.
52-A	Alocine.
52	Hog cholera vaccine, homologous tissue culture origin, Produced by Cutter Laboratories, distributed by Armour Pharmaceutical Co.
52	Hog cholera vaccine, homologous tissue culture origin, Haver-Lockhart Laboratories.
52	Hog cholera vaccine, homologous tissue culture origin, produced by Cutter Laboratories, distributed by Charles Pfizer and Co., Inc.
99	Corvine.
103	Bon-Ecine.
103	Pigvac-TC.
110	Amvac.
110	Hog cholera vaccine, modified live virus, rabbit origin, Consolidated Veterinary Laboratories, Inc.
112	Porcel.
112	Hog cholera vaccine, modified live virus, porcine tissue culture origin, Wyeth International Ltd.
115	Denvac.
117-A	Franklin.
124	Phil-Vac TC (Improved).
124	True-Vac TC (Improved).
124	Hog cholera vaccine, modified live virus porcine tissue culture origin, produced by Phillips-Roxane, Inc., produced for Bio-Ceutic Laboratories.
158-A	Hog cholera vaccine, modified live virus, homologous tissue culture origin, Charles Pfizer and Company, Inc.
188	Hog cholera vaccine, modified live virus, homologous tissue culture origin, Colorado Serum Co.
188	Hog cholera vaccine, modified live virus, homologous tissue culture origin, Professional Biological Co.
189	Norcine.
195	Hog cholera vaccine, modified live virus homologous tissue culture origin, Fromm Laboratories, Inc.
198	Monocine.
198	Cellucine.
213	Certigen.
213	Hog cholera vaccine, modified live virus, multicell porcine tissue culture origin, manufactured by Amdal, Inc., distributed by Amdal Co.
213	Tissucine.
213	TC-Vac.
213	TCV.

License Number	Brand Name or Description
225	Monovet.
246	Vetocine.
246	Virocel.
251	Lapacine.
251	Lenacine.
254	Delene.

(Secs. 4-7, 23 Stat. 32, as amended, secs. 1, 2, 32 Stat. 791, as amended, 792, as amended, secs. 3, 33 Stat. 1265, as amended, sec. 1, 75 Stat. 481; 21 U.S.C. 111, 112, 113, 114g, 115, 117, 120, 121, 125; 29 P.R. 16210, as amended, 30 P.R. 5799, as amended; 9 CFR 76.16(c))

The foregoing amendment lists certain modified live virus vaccines approved by the Director of Division under the regulations in 9 CFR Part 76.

The amendment relieves restrictions imposed by the recent amendment of 9 CFR Part 76 relating to hog cholera and other communicable swine diseases and must be made effective promptly in order to be of maximum benefit to persons subject to the restrictions which are relieved. Accordingly, under the administrative procedure provisions of 5 U.S.C. 553, it is found upon good cause that notice and other public procedure with respect to the amendment are impracticable and unnecessary and the amendment may be made effective less than 30 days after publication in the FEDERAL REGISTER.

These amendments shall become effective upon publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 17th day of July 1967.

G. H. WISE,
Acting Director, Animal Health
Division, Agricultural Research Service.

[F.R. Doc. 67-8464; Filed, July 20, 1967; 8:46 a.m.]

Title 15—COMMERCE AND FOREIGN TRADE

Chapter VII—Office of State Technical Services, Department of Commerce

PART 700—GENERAL REGULATIONS GOVERNING OPERATION AND ADMINISTRATION OF STATE TECHNICAL SERVICES ACT OF 1965

Correspondence, Communications, Requests for Information, and Inspection of Records

Effective July 4, 1967, § 700.12 is revised to read as follows:

§ 700.12 Correspondence, communications, requests for information, and inspection of records.

(a) All correspondence, inquiries, and communications concerning the operation and administration of the Act, including the submission of certifications, plans, programs, reports, information, and documents, which the Act and the regulations in this part require to be furnished to the Secretary, shall be addressed to the Director, Office of State Technical Services, Department of Commerce, Washington, D.C. 20230.

(b) The Director will supply to any person, on request, a current index of all materials which are required to be published in the FEDERAL REGISTER or made available for public inspection and copying by the Office of State Technical Services under the provisions of 5 U.S.C. 552 (a) (1) and (a) (2).

(c) All materials which are required to be made available for public inspection and copying by the Office of State Technical Services under the provisions of 5 U.S.C. 552(a) (2) are available for such inspection and copying in the Central Reference and Records Inspection Facility of the Department of Commerce, Room 2122, Main Commerce Building, 14th Street between Pennsylvania Avenue and Constitution Avenue NW., Washington, D.C. 20230.

(d) Instructions for persons desiring, under the provisions of 5 U.S.C. 552(a) (3), to inspect records not available to the public as part of the regular public information services of the Office of State Technical Services, are contained in Part 4 of this title, and are also available from the Central Reference and Records Inspection Facility of the Department of Commerce, at the address shown in paragraph (c) of this section.

(Sec. 12, 79 Stat. 683; 15 U.S.C. 1362, Department of Commerce Order 7-A, 30 P.R. 15042, and Department of Commerce Order 64, 32 P.R. 9734)

Dated: June 19, 1967.

PAUL J. GOGAN,
Director,
Office of State Technical Services.

Approved:

J. HERBERT HOLLOMON,
Assistant Secretary
for Science and Technology.

[F.R. Doc. 67-8451; Filed, July 20, 1967; 8:45 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

SUBCHAPTER C—AIRCRAFT

[Airworthiness Docket No. 67-SW-30; Amdt. 39-444]

PART 39—AIRWORTHINESS DIRECTIVES

Mooney Model M20F Airplanes

A proposal to amend Part 39 of the Federal Aviation Regulations to include an airworthiness directive requiring addition of a drain hole in the rudder of Mooney M20F airplanes was published in 32 F.R. 7979.

Interested persons have been afforded an opportunity to participate in the making of the amendment. No objections were received.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (31 F.R. 13697), § 39.13 of the Federal Aviation Regulations is amended by adding the following new airworthiness directive:

MOONEY. Applies to Model M20F, serial numbers 660003, 660004, and 670001 through 670303.

Compliance required within the next 15 hours' time in service after the effective date of this AD unless already accomplished.

To prevent water retention in the rudder assembly, accomplish the following:

Drill .375 (3/8) inch diameter holes in the rudder as shown by Figure 1 of Mooney Service Bulletin M20-149 or FAA approved equivalent. This may be accomplished without removal of the rudder or any part replacements.

This amendment becomes effective August 21, 1967.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Fort Worth, Tex., on July 10, 1967.

HENRY L. NEWMAN,
Director, Southwest Region.

[P.R. Doc. 67-8461; Filed, July 20, 1967; 8:46 a.m.]

SUBCHAPTER F—AIR TRAFFIC AND GENERAL OPERATING RULES

[Reg. Docket No. 8271; Amdt. 545]

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

Miscellaneous Amendments

The amendments to the standard instrument approach procedures contained herein are adopted to become effective when now in effect for the airports specified therein. For the convenience of the users, the complete procedure is republished in this amendment indicating the changes to the existing procedures.

As a situation exists which demands immediate action in the interests of safety in air commerce, I find that compliance with the notice and procedure provisions of the Administrative Procedure Act is impracticable and that good cause exists for making this amendment effective within less than 30 days from publication.

In view of the foregoing and pursuant to the authority delegated to me by the Administrator (24 F.R. 5662), Part 97 (14 CFR Part 97) is amended as follows:

1. By amending the following automatic direction finding procedures prescribed in § 97.11(b) to read:

ADF STANDARD INSTRUMENT APPROACH PROCEDURE

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator of the Federal Aviation Agency. Initial approaches shall be made over specified routes. Minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Transition		Course and distance	Minimum altitude (feet)	Ceiling and visibility minimums		
From—	To—			Condition	2-engine or less 65 knots or less	More than 2-engine, more than 65 knots
FAR VOR	LOM	Direct	2300	T-dn	300-1	300-1
FAR RBN	LOM	Direct	2300	C-dn	500-1	500-1
Rice Int.	Leslie Int.	Direct	2300	S-dn-35	500-1	500-1
FAR VOR	Leslie Int.	Direct	2300	A-dn	800-2	800-2
Leslie Int.	LOM (final)	Direct	2100			

Procedure turn E side of crs, 171° Outbnd, 351° Inbnd, 2300' within 10 miles.

Minimum altitude over LOM on final approach crs, 2100'.

Crs and distance, facility to airport, 351°—4.1 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 4.1 miles after passing LOM, climb on crs, 351° from LOM to 2300' within 10 miles, or when directed by ATC, make left-climbing turn to intercept FAR VOR, R 285°, climb to 2800' on R 285° within 20 miles of FAR VOR.

MSA within 25 miles of facility: 000°-090°-2700'; 060°-150°-2900'; 180°-270°-2400'; 270°-360°-3200'.

City, Fargo; State, N. Dak.; Airport name, Hector; Elev., 900'; Fac. Class., LOM; Ident., FA; Procedure No. NDB (ADF) Runway 35, Amdt. 18; Eff. date, 12 Aug. 67; Sup. Amdt. No. ADF 1, Amdt. 17, Dated, 26 Nov. 66.

Arco Int.	MTD RBN	Direct	2400	T-dn	300-1	300-1
Casey Int.	MTD RBN	Direct	2300	C-dn	600-1	600-1
BIB VOR	MTD RBN	Direct	2500	S-dn-6*	600-1	600-1
				A-dn*	NA	NA
				Minimums with ADF/VOR receivers:		
				C-dn*	400-1	500-1
				S-dn-6*	400-1	400-1

Procedure turn E side of crs, 225° Outbnd, 045° Inbnd, 2000' within 10 miles.

Minimum altitude over Etna Int on final approach crs, #1321' (#1331' when control zone not effective).

Crs and distance, Etna Int to airport, 045°—3.5 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 0 mile of MTD RBN, climb to 2300' on crs of 045°, turn right and return to MTD RBN, hold SW, Inbnd crs, 045°, right turns.

Notes: (1) Use Vandalla, Ill., altimeter setting when control zone not effective. (2) Circling and straight-in ceiling minimums are raised 200' when control zone not effective.

*These minimums apply at all times for air carriers with approved weather reporting service.

MSA within 25 miles of facility: 000°-180°-2300'; 180°-360°-2100'.

City, Mattoon-Charleston; State, Ill.; Airport name, Coles County Memorial; Elev., 721'; Fac. Class., MHW; Ident., MTD; Procedure No. NDB (ADF) Runway 6, Amdt. 3; Eff. date, 12 Aug. 67; Sup. Amdt. No. ADF 1, Amdt. 2; Dated, 19 June 65.

MSO VOR	NDB	Direct	8200	T-dn	2500-2	2500-2
				C-dn	3000-2	3000-2
				A-dn	3500-3	3500-3

Procedure turn N side of crs, 276° Outbnd, 090° Inbnd, 8200' within 10 miles.

Minimum altitude over facility on final approach crs, 6500'.

Crs and distance, facility to airport, 121°—1.4 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 1.4 miles after passing MSO NDB, turn right and climb to 9000' on a crs of 276° from MSO NDB within 10 miles.

Note: Final approach from holding pattern at the NDB not authorized. Procedure turn required.

Takeoff all runways: Aircraft departing via airways climb clear of clouds over the airport to 4700'; continue climb in a right-hand holding pattern within 6 miles of the VOR on R 282° or within 5 miles of the NDB on 280° bearing from the RBN to depart the facility on crs at 7500' or above. All turns 6 of crs.

MSA within 25 miles of facility: 045°-135°-8800'; 135°-225°-10,600'; 225°-315°-9000'; 315°-045°-11,000'.

City, Missoula; State, Mont.; Airport name, Missoula County; Elev., 3203'; Fac. Class., H-SAB; Ident., MSO; Procedure No. NDB (ADF)-1, Amdt. 5; Eff. date, 12 Aug. 67; Sup. Amdt. No. ADF 1, Amdt. 4; Dated, 11 Dec. 65.

ADF STANDARD INSTRUMENT APPROACH PROCEDURE—Continued

Transition				Ceiling and visibility minimums			
From—	To—	Course and distance	Minimum altitude (feet)	Condition	2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
Pebble Int.	LOM	Direct	4000	T-dn*	300-1	300-1	200-1
Salinas VOR	LOM	Direct	3000	C-d**	900-2	900-2	900-2
Salinas VOR	Marina Int.	Direct	2000	C-n**	900-3	900-3	900-3
Marina Int.	LOM	Direct	2000	A-dn	1000-3	1000-3	1000-3
Santa Cruz Int.	LOM	Direct	2000				
Shark Int.	LOM	Direct	3000				

Procedure turn S side of crs, 275° Outbd, 095° Inbd, 2000' within 10 miles.
Minimum altitude over facility on final approach crs, 1500'. Final approach crs, 095°, aligned to left of Runway 10.
Crs and distance, facility to airport, 095°—4.3 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 3.8 miles after passing LOM (at the LMM), make immediate left-climbing turn, proceed direct to LOM, climbing to 2000' in a 1-minute holding pattern, 095° Inbd, right turn.
AIR CARRIER NOTE: Reductions in visibility by sliding scale or local conditions not authorized, except for takeoff on Runway 28.
CAUTION: High terrain SW through SE of airport. All maneuvering for circling approaches must be accomplished N of Runways 10/28.
**1000-2, day; 1000-3, night, required for 3- and 4-engine aircraft.
*500-1 required for takeoff on Runway 6. *1000-1 required for takeoff on Runway 24.
*700-1 required for takeoff on Runway 10 and left turn must be started within 1 mile of airport.
%Southbound IFR departures must comply with published Monterey SID's.
MSA within 25 miles of facility: 040°-220°-6100'; 230°-310°-1900'; 310°-040°-5100'.

City, Monterey; State, Calif.; Airport name, Monterey Peninsula; Elev., 220'; Fac. Class., LOM; Ident., MR; Procedure No. NDB (ADF) Runway 10, Amdt. 3; Eff. date, 12 Aug. 67; Sup. Amdt. No. ADF 1, Amdt. 2; Dated, 24 Mar. 66

SAT VOR	LOM	Direct	2400	T-dn	300-1	300-1	200-1
Wetmore Int.	LOM	Direct	2400	C-dn	400-1	500-1	500-1
Lemoys Int.	LOM	Direct	2400	S-dn-3	400-1	400-1	400-1
Collins Int.	LOM (final)	Direct	2000	A-dn	800-2	800-2	800-2

Radar available.
Procedure turn E side of crs, 212° Outbd, 032° Inbd, 2400' within 10 miles.
Minimum altitude over facility on final approach crs, 2000'.
Crs and distance, facility to airport, 032°—3.9 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 3.9 miles after passing LOM, turn left to 330°, climb to 3300', intercept and proceed N on 360° crs from "SA" LOM within 15 miles, or when directed by ATC, climb to 3000' on crs of 082° within 15 miles of "SA" LOM.
MSA within 25 miles of facility: 000°-360°-3100'.

City, San Antonio; State, Tex.; Airport name, San Antonio International; Elev., 808'; Fac. Class., LOM; Ident., SA; Procedure No. NDB (ADF) Runway 3, Amdt. 24; Eff. date, 12 Aug. 67; Sup. Amdt. No. ADF 1, Amdt. 23; Dated, 23 July 66

2. By amending the following very high frequency omnirange (VOR) procedures prescribed in § 97.11(c) to read:

VOR STANDARD INSTRUMENT APPROACH PROCEDURE

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibility which are in statute miles.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator of the Federal Aviation Agency. Initial approaches shall be made over specified routes. Minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Transition				Ceiling and visibility minimums			
From—	To—	Course and distance	Minimum altitude (feet)	Condition	2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
				T-dn*	1500-2	1500-2	1500-2
				C-dn	1900-2	1900-2	1900-2
				A-dn	2500-4	2500-4	2500-4

Procedure turn S side of crs, 277° Outbd, 097° Inbd, 11,000' within 10 miles.
Descent in holding pattern not authorized. Procedure turn required.
Minimum altitude over facility on final approach crs, 10,000'.
Crs and distance, facility to airport, 097°—7.3 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 7.3 miles after passing BCE VORTAC, left-climbing turn, return to VORTAC and climb to 11,000' on R 277° within 10 miles.
*Takeoff all runways: Climb clear of clouds over the airport to 9100', continue climb direct to BCE VORTAC, thence climb on crs to MEA.
MSA within 25 miles of facility: 000°-090°-12,100'; 090°-180°-10,600'; 180°-270°-12,400'; 270°-360°-12,100'.

City, Bryce Canyon; State, Utah; Airport name, Bryce Canyon; Elev., 7988'; Fac. Class., H-BVORTAC; Ident., BCE; Procedure No. VOR-1, Amdt. 5; Eff. date, 12 Aug. 67; Sup. Amdt. No. VOR-1, Amdt. 4; Dated, 9 Apr. 66

VOR STANDARD INSTRUMENT APPROACH PROCEDURE—Continued

Transition				Ceiling and visibility minimums			
From—	To—	Course and distance	Minimum altitude (feet)	Condition	2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
Hazleton Int.	BYI VOR (final)	Direct	5300	T-dn 4-5 C-dn 4-5 A-dn 4-5	300-1 500-1 800-2	300-1 500-1½ 800-2	NA NA NA

Procedure turn S side crs, 272° Outbd, 092° Inbd, 6000' within 10 miles.
Minimum altitude over facility on final approach crs, 5300'.
Crs and distance, facility to airport, 163°—4.3 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 4.3 miles after passing BYI VOR, turn left, climb to 2000' on R 054° within 20 miles.
NOTE: When authorized by ATC, DME may be used between 7 and 10 miles at 6000' between R 070° clockwise to R 240° and between 7 and 20 miles at 6000' between R 240° clockwise to R 060° to position aircraft on the final approach crs with the elimination of procedure turn.
CAUTION: Burley Airport surrounded by high trees and structures.
*500-1 required for takeoff Runways 10, 28, and 24.
%Takeoff all runways: Shuttle climb on the R 272° of the Burley VORTAC within 20 miles to minimum altitude required for direction of flight.

Direction of flight		MCA (feet)
E, V4		5,500
SE, V101		8,000
NW, V4N		5,900

MSA within 25 miles of facility: 000°—090°—6800'; 090°—180°—11,400'; 180°—270°—8800'; 270°—360°—6000'.
City, Burley; State, Idaho; Airport name, Burley Municipal; Elev., 4150'; Fac. Class., L-BVORTAC; Ident., BYI; Procedure No. VOR Runway 10, Amdt. 8; Eff. date, 17 Aug. 67; Sup. Amdt. No. VOR 1, Amdt. 7; Dated, 16 Apr. 66

R 285°, FAR VOR counterclockwise	R 180°, FAR VOR	Via 7-mile DME Arc.	2500	T-dn 4-5 C-d 4-5 C-n 4-5 S-dn 35 A-dn 4-5	300-1 900-1 900-2 900-1 900-2	300-1 900-1 900-2 900-1 900-2	200-1½ 600-1½ 600-2 600-1 600-2
R 101°, FAR VOR clockwise	R 180°, FAR VOR	Via 7-mile DME Arc.	2500				
7-mile DME Fix, R 180°	FAR VOR (final)	Direct	2500	Minimums with DME: C-dn 4-5 S-dn 35	500-1 500-1	500-1 500-1	500-1½ 500-1

Procedure turn E side of crs, 180° Outbd, 360° Inbd, 2500' within 10 miles.
Minimum altitude over facility on final approach crs, 2500', over 6-mile DME Fix, 1800'.
Crs and distance, facility to airport, 360°—9.4 miles; 6-mile DME Fix to airport, 360°—3.4 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 9.4 miles after passing FAR VORTAC, climb to 2500' on R 360° within 10 miles, or when directed by ATC, make left-climbing turn to intercept, R 285°, climb to 2800' on R 285°, within 10 miles.
*500-1½ authorized with operative AL's except for 4-engine turbojets.
MSA within 25 miles of facility: 000°—090°—2600'; 090°—180°—2700'; 180°—270°—2300'; 270°—360°—3200'.

City, Fargo; State, N. Dak.; Airport name, Hector; Elev., 900'; Fac. Class., H-BVORTAC; Ident., FAR; Procedure No. VOR Runway 35, Amdt. 3; Eff. date, 12 Aug. 67; Sup. Amdt. No. VOR 1, Amdt. 2; Dated, 10 Dec. 66

				T-dn 4-5 C-d 4-5 C-n 4-5 S-dn 13 A-dn 4-5	300-1 600-1 600-2 600-1 800-2	300-1 600-1 600-2 600-1 800-2	200-1½ 600-1½ 600-2 600-1 600-2
				Minimums with VOR/ADF receivers: C-d 4-5 C-n 4-5 S-dn 13	500-1 500-2 400-1	500-1 500-2 400-1	500-1½ 500-2 400-1

Procedure turn W side of crs, 314° Outbd, 134° Inbd, 2600' within 10 miles.
Minimum altitude over Crocker Int on final approach crs, 1780'.
Facility on airport.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 6 mile after passing VOR, climb to 2600' on R 123° within 10 miles.
CAUTION: Runways 4/22 unlighted.
MSA within 25 miles of facility: 000°—090°—2600'; 090°—180°—2700'; 180°—270°—2500'; 270°—360°—3000'.

City, International Falls; State, Minn.; Airport name, Falls International; Elev., 1180'; Fac. Class., L-BVOR; Ident., INI; Procedure No. VOR Runway 13, Amdt. 3; Eff. date, 12 Aug. 67; Sup. Amdt. No. TerVOR-13, Amdt. 2; Dated, 26 June 65

				T-dn 4-5 C-d 4-5 C-n 4-5 S-dn 31 A-dn 4-5	300-1 400-1 400-2 400-1 800-2	300-1 500-1 500-2 400-1 800-2	200-1½ 500-1½ 500-2 400-1 800-2
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Procedure turn E side of crs, 123° Outbd, 303° Inbd, 2600' within 10 miles.
Minimum altitude over facility on final approach crs, 1890'.
Facility on airport.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 6 mile after passing VOR, climb to 2600' on R 314° within 10 miles.
CAUTION: Runways 4/22 unlighted.
MSA within 25 miles of facility: 000°—090°—2600'; 090°—180°—2700'; 180°—270°—2500'; 270°—360°—3000'.

City, International Falls; State, Minn.; Airport name, Falls International; Elev., 1180'; Fac. Class., L-BVOR; Ident., INI; Procedure No. VOR Runway 31, Amdt. 3; Eff. date, 12 Aug. 67; Sup. Amdt. No. TerVOR-31, Amdt. 2; Dated, 26 June 65

VOR STANDARD INSTRUMENT APPROACH PROCEDURE—Continued

Transition				Ceiling and visibility minimums			
From—	To—	Course and distance	Minimum altitude (feet)	Condition	2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
R 122°, MCW VOR clockwise.....	R 176°, MCW VOR.....	Via 7-mile DME Arc.	2800	T-dn.....	300-1	300-1	200-1½
R 230°, MCW VOR counterclockwise.....	R 176°, MCW VOR.....	Via 7-mile DME Arc.	2800	C-dn.....	400-1	500-1	500-1½
7-mile DME Fix, R 176°, MCW VOR.....	MCW VOR (final).....	Direct.....	2000	S-dn-35.....	400-1	400-1	400-1
				A-dn.....	800-2	800-2	800-2

Procedure turn E side of crs, 176° Outbd, 356° Inbd, 2300' within 10 miles.
Minimum altitude over facility on final approach crs, 2300'.
Crs and distance, facility to airport, 356°—3.4 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 3.4 miles after passing MCW VOR, climb to 2800' on R 356° within 10 miles.
S400-M authorized, with operative HIRL or REIL, except for 4-engine turbojets.
MSA within 25 miles of facility: 000°-090°—3800'; 090°-270°—2600'; 270°-360°—2700'.
City, Mason City; State, Iowa; Airport name, Mason City Municipal; Elev., 1216'; Fac. Class., H-BVORTAC; Ident., MCW; Procedure No. VOR Runway 35, Amdt. 9; Eff. date, 12 Aug. 67; Sup. Amdt. No. VOR Runway 35, Amdt. 8; Dated, 10 June 67.

Arcola Int.....	MTO VOR.....	Direct.....	2400	T-dn.....	300-1	300-1	200-1½
Casey Int.....	MTO VOR.....	Direct.....	2500	C-dn.....	500-1	500-1	500-1½
BIB VOR.....	MTO VOR.....	Direct.....	2500	A-dn.....	800-2	800-2	800-2

Procedure turn N side of crs, 057° Outbd, 237° Inbd, 2300' within 10 miles.
Minimum altitude over facility on final approach crs, #1221' (#1421' when control zone not effective).
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 0 mile of VOR, climb to 2300' southwestbound on R 237° within 10 miles, turn right and return to VOR. Hold NE of VOR on R 057°, 237° Inbd, right turns.
NOTES: (1) Use Vandalla, Ill., altimeter setting when control zone not effective. (2) Circling ceiling minimums are raised 200' and alternate minimums not authorized when control zone not effective.
*These minimums apply at all times for those air carriers with approved weather reporting service.
MSA within 25 miles of facility: 000°-180°—2300'; 180°-360°—2100'.

City, Mattoon-Charleston; State, Ill.; Airport name, Coles County Memorial; Elev., 721'; Fac. Class., T-BVOR; Ident., MTO; Procedure No. VOR-1, Amdt. 2; Eff. date, 12 Aug. 67; Sup. Amdt. No. TerVOR R-057, Amdt. 1; Dated, 26 Feb. 66.

BIB VOR.....	MTO VOR.....	Direct.....	2500	T-dn.....	300-1	300-1	200-1½
Arcola Int.....	MTO VOR.....	Direct.....	2400	C-dn.....	500-1	500-1	500-1½
Casey Int.....	MTO VOR.....	Direct.....	2500	S-dn-6°.....	500-1	500-1	500-1
				A-dn.....	800-2	800-2	800-2
				Minimums with dual VOR receivers:			
				C-dn.....	400-1	500-1	500-1½
				S-dn-6°.....	400-1	400-1	400-1

Procedure turn N side of crs, 226° Outbd, 046° Inbd, 2000' within 10 miles.
Minimum altitude over Etna Int on final approach crs, #1221' (#1421' when control zone not effective).
Crs and distance, Etna Int to airport, 046°—3.4 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 0 mile of VOR, climb to 2300'. Northeastbound on R 046° within 10 miles, turn left and return to VOR. Hold SW of VOR on R 226°, 046° Inbd, left turns.
NOTES: (1) Use Vandalla, Ill., altimeter setting when control zone not effective. (2) Circling and straight-in ceiling minimums are raised 200' and alternate minimums not authorized when control zone not effective.
*These minimums apply at all times for those air carriers with approved weather reporting service.
MSA within 25 miles of facility: 000°-180°—2300'; 180°-360°—2100'.

City, Mattoon-Charleston; State, Ill.; Airport name, Coles County Memorial; Elev., 721'; Fac. Class., T-BVOR; Ident., MTO; Procedure No. VOR Runway 6, Amdt. 2; Eff. date, 12 Aug. 67; Sup. Amdt. No. TerVOR-6, Amdt. 1; Dated, 26 Feb. 66.

MSO NDB.....	VOR.....	Direct.....	8000	T-dn.....	2500-2	2500-2	2500-2
				C-dn.....	3300-2	3300-2	3300-2
				A-dn.....	3500-3	3500-3	3500-3
				Minimums with VOR/ADF receivers:			
				C-dn.....	2400-2	2400-2	2400-2

Procedure turn N side of crs, 278° Outbd, 098° Inbd, 8000' within 10 miles.
Minimum altitude over Primrose Int on final approach crs, 6000'.
Crs and distance, Primrose Int to airport, 098°—3 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 0 mile of VOR, turn right and climb to 9000' on R 278° MSO VOR, within 10 miles.
NOTE: Final approach from holding pattern at the VOR not authorized. Procedure turn required.
*Takeoff all runways: Aircraft departing via airways climb clear of clouds over the airport to 4700', continue climb in a right-hand holding pattern within 6 miles of the VOR on R 282° or within 5 miles of the NDB on 289° bearing from the NDB to depart the facility on crs at 7500' or above. All turns S of crs.
MSA within 25 miles of facility: 045°-135°—8900'; 135°-225°—10,000'; 225°-315°—9000'; 315°-045°—11,000'.

City, Missoula; State, Mont.; Airport name, Missoula County; Elev., 3203'; Fac. Class., L-BVORTAC; Ident., MSO; Procedure No. VOR-1, Amdt. 7; Eff. date, 12 Aug. 67; Sup. Amdt. No. VOR 1, Amdt. 6; Dated, 11 Dec. 65.

OSH VOR.....	Green Int.....	Direct.....	2300	T-dn.....	300-1	300-1	200-1½
OXI VOR.....	Green Int.....	Direct.....	2300	C-dn.....	700-1	700-1½	700-1½
MOI VOR.....	Green Int.....	Direct.....	2300	A-dn.....	NA	NA	NA
OLK VOR.....	Canoe Int.....	Direct.....	2300				
Green Int.....	Canoe Int (final).....	Direct.....	2300				

Radar available.
Procedure turn S side of crs, 277° Outbd, 097° Inbd, 2300' within 10 miles of Canoe Int.
Minimum altitude over Canoe Int on final approach crs, 2300'.
Crs and distance, Canoe Int to airport, 097°—5.2 miles.
If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 5.2 miles after passing Canoe Int, make left turn, climb to 2300', return to Canoe Int.
NOTES: (1) Use FWA altimeter setting. (2) Dual VOR receivers required.
MSA within 25 miles of facility: 090°-180°—2700'; 180°-090°—2300'.
City, Warsaw; State, Ind.; Airport name, Warsaw Municipal; Elev., 849'; Fac. Class., L-BVOR; Ident., OLK; Procedure No. VOR-1, Amdt. 1; Eff. date, 12 Aug. 67; Sup. Amdt. No. VOR 1, Orig.; Dated, 22 May 63.

3. By amending the following very high frequency omnirange—distance measuring equipment (VOR/DME) procedures prescribed in § 97.15 to read:

VOR/DME STANDARD INSTRUMENT APPROACH PROCEDURE

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator of the Federal Aviation Agency. Initial approaches shall be made over specified routes. Minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Transition				Ceiling and visibility minimums			
From—	To—	Course and distance	Minimum altitude (feet)	Condition	2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
20-mile DME Fix, R 103°	15-mile DME Fix, R 103°	Direct	7500	T-dn%	300-1	300-1	NA
15-mile DME Fix, R 103°	12-mile DME Fix, R 103°	Direct	6000	C-dn	500-1	500-1½	NA
12-mile DME Fix, R 103°	10-mile DME Fix, R 103°	Direct	5200	A-dn	800-2	800-2	NA
10-mile DME Fix, R 103°	5.3-mile DME Fix, R 103°	Direct	4650				

Procedure turn not authorized.

Minimum altitude over 15-mile DME Fix, R 103° on final approach crs, 7500'; over 12-mile DME Fix, R 103°—6000'; over 10-mile DME Fix, R 103°—5200'; over 5.3-mile DME Fix, R 103°—4650'.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished at 5.3-mile DME Fix, R 103°, climb to 6000' on R 272° within 10 miles.

NOTE: When authorized by ATC, DME may be used between 20 and 30 miles from R 360° clockwise to R 103° at 8400' and between 20 and 30 miles from R 104° clockwise to R 117° at 10,500' to position aircraft for final approach.

CAUTION: Burley Airport surrounded by high trees and structures.

%Takeoff all runways: Shuttle climb on the R 272° of the Burley VORTAC within 20 miles to minimum altitude required for direction of flight.

Direction of flight	MCA (feet)
E, V4	5,500
SE, V101	8,000
NW, V4N	5,900

*500-1 required for takeoff Runways 10, 28, and 24.

MSA within 25 miles of facility: 000°-090°-6800'; 090°-180°-11,400'; 180°-270°-8800'; 270°-360°-6000'.

City, Burley; State, Idaho; Airport name, Burley Municipal; Elev., 4150'; Fac. Class., L-BVORTAC; Ident., BYI; Procedure No. VOR/DME Runway 28, Amdt. Orig.; Eff. date, 12 Aug. 67.

MSO VOR	6-mile DME Fix, R 282°	Direct	8300	T-dn%	1500-2	1500-2	1500-2
MSO NDB	MSO VOR	Direct	8300	C-dn	1500-2	1500-2	1500-2
R 234°, MSO VOR counterclockwise	R 282°, MSO VOR	Via 12-mile DME Arc	8300	A-dn	2000-3	2000-3	2000-3
R 278°, MSO VOR clockwise	R 282°, MSO VOR	Via 12-mile DME Arc	8300				
12-mile DME Fix, R 282°, MSO VOR	6-mile DME Fix, R 282°, MSO VOR (final)	Direct	6300				

Procedure turn W side of crs, 282° Outbound, 102° Inbound, 8300' between 6- and 16-mile DME Fix, R 282°.

Minimum altitude over 6-mile DME Fix, R 282° on final approach crs, 6300'.

Crs and distance, 6-mile DME Fix, R 282° to airport, 102°-5 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished at 1-mile DME Fix, R 282°, climb to 8300' in right-hand holding pattern between the 6-mile DME Fix, R 282° and the VOR, all turns 8 of crs.

NOTE: Final approach from holding pattern at the 6-mile DME Fix, R 282° not authorized. Procedure turn required.

%Takeoff all runways: Aircraft departing via airways climb clear of clouds over the airport to 4700', continue climb in a right-hand holding pattern within 6 miles of the VOR on R 282° or within 5 miles of the NDB on 280° bearing from the NDB to depart the facility on crs at 7500' or above. All turns 8 of crs.

%Circling N of airport not authorized.

MSA within 25 miles of facility: 045°-135°-8900'; 135°-225°-10,000'; 225°-315°-9000'; 315°-045°-11,000'.

City, Missoula; State, Mont.; Airport name, Missoula County; Elev., 3203'; Fac. Class., L-BVORTAC; Ident., MSO; Procedure No. VOR/DME-1, Amdt. 2; Eff. date, 12 Aug. 67; Sup. Amdt. No. VOR/DME No. 1, Amdt. 1; Dated, 11 Dec. 65.

4. By amending the following instrument landing system procedures prescribed in § 97.17 to read:

ILS STANDARD INSTRUMENT APPROACH PROCEDURE

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet MSL. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles.

If an instrument approach procedure of the above type is conducted at the below named airport, it shall be in accordance with the following instrument approach procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator of the Federal Aviation Agency. Initial approaches shall be made over specified routes. Minimum altitudes shall correspond with those established for en route operation in the particular area or as set forth below.

Transition				Ceiling and visibility minimums			
From—	To—	Course and distance	Minimum altitude (feet)	Condition	2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
Fargo VOR	LOM	Direct	2300	T-dn%	300-1	300-1	200-1½
Fargo RBN	LOM	Direct	2300	C-dn	500-1	500-1	500-1½
Rice Int.	Leslie Int.	Direct	2300	S-dn-358°	200-1½	200-1½	200-1½
FAR VOR	Leslie Int.	Direct	2300	A-dn	600-2	600-2	600-2
Leslie Int.	LOM (final)	Direct	2100				

Procedure turn E side of crs, 171° Outbound, 351° Inbound, 2300' within 10 miles.

Minimum altitude at glide slope interception, Inbound, 2100'.

Altitude of glide slope and distance to approach end of runway at OM, 3092'-4.1 miles; at MM, 1165'-0.6 mile.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 4.1 miles after passing LOM, climb on N crs, Fargo ILS to 2500' within 10 miles, or when directed by ATC, make left-climbing turn to intercept FAR VOR, R 285°, climb to 2800' within 20 miles of FAR VOR.

%RVR 2400' authorized Runway 35.

*400-1½ required when glide slope not utilized and 400-1½ authorized with operative AL's except for 4-engine turbojets.

%RVR 2400. Descent below 1100' not authorized unless approach lights are visible.

MSA within 25 miles of LOM: 000°-090°-2700'; 090°-180°-2900'; 180°-270°-2400'; 270°-360°-3200'.

City, Fargo; State, N. Dak.; Airport name, Hector; Elev., 900'; Fac. Class., ILS; Ident., I-FAR; Procedure No. ILS Runway 35, Amdt. 19; Eff. date, 12 Aug. 67; Sup. Amdt. No. ILS-35, Amdt. 18; Dated, 26 Nov. 66.

ILS STANDARD INSTRUMENT APPROACH PROCEDURE—Continued

Transition				Ceiling and visibility minimums			
From—	To—	Course and distance	Minimum altitude (feet)	Condition	2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
Harrisburg VOR.....	MD LOM.....	Direct.....	2700	T-dn.....	300-1	300-1	200-1½
Steelton Int.....	MD LOM.....	Direct.....	2700	C-dn*.....	600-1	600-1	600-1½
				S-dn-13.....	300-1½	300-1½	300-1½
				A-dn#.....	600-2	600-2	600-2
				With glide slope inoperative:			
				S-dn-13.....	500-1	500-1	500-1

Radar available.

Procedure turn 8 side of crs, 305° Outbd, 125° Inbd, 2700' within 10 miles.

Crs and distance, facility to airport, 125°—6.4 miles.

Minimum altitude at glide slope interception, Inbd, 2500'.

Altitude of glide slope and distance to approach end of runway at OM, 2428°—6.4 miles.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 0 mile after passing MM, climb on runway heading to 2700' within 10 miles. Left turn direct to MD LOM.

Hold NW, 2700°—125°, Inbd, 1-minute right turns.

NOTES: (1) Reduction not authorized. (2) *Circling not authorized S. of Runway 13. (3) #When control zone not in effect, use Harrisburg altimeter setting. Alternate minimums not authorized.

CAUTION: 1030° terrain, 1.2 miles SW of approach end of Runway 13; 543° terrain, 1.7 miles SE of airport on runway centerline extended.

MSA within 25 miles of LOM: 000°—090°—2800'; 090°—180°—2600'; 180°—270°—3000'; 270°—360°—3200'.

City, Middletown; State, Pa.; Airport name, Olmsted; Elev., 308'; Fac. Class., ILS; Ident., I-MDT; Procedure No. ILS Runway 13, Amdt. 1; Eff. date, 12 Aug. 67; Sup. Amdt. No. ILS Runway 13, Orig.; Dated, 1 July 67

Pebble Int.....	LOM.....	Direct.....	4000	T-dn*.....	300-1	300-1	200-1½
Salinas VOR.....	LOM.....	Direct.....	3000	C-dn**.....	700-2	700-2	700-2
Salinas VOR.....	Marina Int.....	Direct.....	2000	C-dn**.....	700-3	700-3	700-3
Marina Int.....	LOM.....	Direct.....	2000	S-dn-10#.....	300-1½	300-1½	300-1½
Santa Cruz Int.....	LOM.....	Direct.....	2000				
Shark Int.....	Seal Int.....	Direct.....	4000	A-dn**.....	700-2	700-2	700-2
Seal Int.....	LOM (final).....	Direct.....	1700	A-dn**.....	700-3	700-3	700-3

Procedure turn 8 side of crs, 276° Outbd, 096° Inbd, 2000' within 10 miles of OM.

Minimum altitude at glide slope interception, Inbd, 1700'.

Altitude of glide slope and distance to approach end of runway at OM, 1630°—4.3 miles; at MM, 370°—0.5 mile.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished within 0 mile after passing MM, make immediate left-climbing turn, proceed direct to LOM climbing to 2000' in a 1-minute holding pattern 096°, Inbd, right turns.

AIR CARRIER NOTE: Reductions in visibility by sliding scale or local conditions not authorized, except for takeoff on Runway 28.

NOTE: ILS unusable for automatic approaches. Localizer and glide slope unusable between MM and approach end of runway.

CAUTION: High terrain SW through SE of airport. All maneuvering for circling approaches must be accomplished N of Runways 10/28.

**1000-2, day; 1000-3, night, required for 3- and 4-engine aircraft.

*600-1 required for takeoff on Runway 6. *1000-1 required for takeoff on Runway 24.

*700-1 required for takeoff on Runway 10 and left turn must be started within 1 mile of airport.

†Southbound IFR departures must comply with published Monterey SID's.

#400-1 required with any component of the ILS inoperative except that 700-1½ required with glide slope inoperative.

MSA within 25 miles of LOM: 040°—220°—6100'; 220°—310°—1900'; 310°—040°—5100'.

City, Monterey; State, Calif.; Airport name, Monterey Peninsula; Elev., 220'; Fac. Class., ILS; Ident., I-MRY; Procedure No. ILS Runway 10, Amdt. 15; Eff. date, 12 Aug. 67; Sup. Amdt. No. ILS-10, Amdt. 14; Dated, 21 Jan. 67

PROCEDURE CANCELED, EFFECTIVE 12 AUG. 1967.

City, Pensacola; State, Fla.; Airport name, Pensacola Municipal (Hagler); Elev., 118'; Fac. Class., ILS; Ident., I-PNS; Procedure No. ILS-16, Amdt. 10; Eff. date, 11 June 66; Sup. Amdt. No. 9; Dated, 26 Dec. 64

PROCEDURE CANCELED, EFFECTIVE 12 AUG. 1967.

City, Pensacola; State, Fla.; Airport name, Pensacola Municipal (Hagler); Elev., 118'; Fac. Class., ILS; Ident., I-PNS; Procedure No. ILS-34 (back crs), Amdt. 10; Eff. date, 18 June 66; Sup. Amdt. No. 9; Dated, 6 Sept. 64

San Antonio VOR.....	LOM.....	Direct.....	2400	T-dn*.....	300-1	300-1	200-1½
Wetmore Int.....	LOM.....	Direct.....	2400	C-dn.....	400-1	500-1	500-1½
Lozoya Int.....	LOM.....	Direct.....	2400	S-dn-3#.....	200-1½	200-1½	200-1½
Collins Int.....	LOM (final).....	Direct.....	2100	A-dn.....	600-2	600-2	600-2

Radar available.

Procedure turn E side of SW crs, 212° Outbd, 032° Inbd, 2400' within 10 miles.

Minimum altitude at glide slope interception, Inbd, 2100'.

Altitude of glide slope and distance to approach end of runway at OM, 2050°—3.9 miles; at MM, 1000°—0.6 mile.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished, turn left, climb direct to SAT VOR, continue climbing to 3300' on R 353° within 20 miles of SAT VOR, or when directed by ATC, turn right and climb to 3000' on R 158° within 20 miles of SAT VOR, or climb to 3000' on NE crs of SAT ILS within 20 miles of SA LOM.

#400-1 required when glide slope not utilized.

*RVR 2400' authorized Runway 8.

MSA within 25 miles of LOM: 000°—360°—3100'.

City, San Antonio; State, Tex.; Airport name, San Antonio International; Elev., 808'; Fac. Class., ILS; Ident., I-SAT; Procedure No. ILS Runway 3, Amdt. 1; Eff. date, 12 Aug. 67; Sup. Amdt. No. ILS Runway 3, Orig.; Dated, 29 Apr. 67

5. By amending the following radar procedures prescribed in § 97.19 to read:

RADAR STANDARD INSTRUMENT APPROACH PROCEDURE

Bearings, headings, courses and radials are magnetic. Elevations and altitudes are in feet, MSL. Ceilings are in feet above airport elevation. Distances are in nautical miles unless otherwise indicated, except visibilities which are in statute miles.

If a radar instrument approach is conducted at the below named airport, it shall be in accordance with the following instrument procedure, unless an approach is conducted in accordance with a different procedure for such airport authorized by the Administrator of the Federal Aviation Agency. Initial approaches shall be made over specified routes. Minimum altitude(s) shall correspond with those established for en route operation in the particular area or as set forth below. Positive identification must be established with the radar controller. From initial contact with radar to final authorized landing minimums, the instructions of the radar controller are mandatory except when (A) visual contact is established on final approach at or before descent to the authorized landing minimums, or (B) at pilot's discretion if it appears desirable to discontinue the approach, except when the radar controller may direct otherwise prior to final approach, a missed approach shall be executed as provided below when (A) communication on final approach is lost for more than 5 seconds during a precision approach, or for more than 30 seconds during a surveillance approach; (B) directed by radar controller; (C) visual contact is not established upon descent to authorized landing minimums; or (D) if landing is not accomplished.

Transition				Ceiling and visibility minimums			
From—	To—	Course and distance	Minimum altitude (feet)	Condition	2-engine or less		More than 2-engine, more than 65 knots
					65 knots or less	More than 65 knots	
165°	270°	Within:	1400	T-dn	Surveillance approach		
000°	360°	10 miles	2000	C-dn	300-1	300-1	200-1½
000°	360°	20 miles	2200	S-dn-9/27#	400-1	400-1	500-1½
000°	360°	20-30 miles		A-dn	800-2	800-2	800-3

Radar site (MGM RAPCON) located on Maxwell AFB. All bearings and distances are from radar antenna with sector azimuths progressing clockwise. Radar control must provide 3-mile horizontal or 1000' vertical separation from following towers: 1142°—16.8 miles NNE; 1484°—21.7 miles S.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished, Runway 9: Turn right, climb to 3000' on R 127°, MGM VOR within 15 miles. Runway 27: Climb to 3000' on W crs, MGM ILS, or when directed by ATC, climb to 3000' on crs of 273° from MGM LOM within 15 miles.

NOTE: Radar control will not descend aircraft below 2000' on final approach to Runway 27 until 7 miles from approach end of runway.
CAUTION NOTE: Night operation Runways 15-33 not authorized due lack of obstruction and runway lights.
#400-¾ authorized with operative HIRL, except for 4-engine turbojets.
#800-½ authorized with operative AL's on Runway 9, except for 4-engine turbojets.

City, Montgomery; State, Ala.; Airport name, Donnelly Field; Elev., 221'; Fac. Class., and Ident., Montgomery RAPCON; Procedure No. 1, Amdt. 3; Eff. date, 12 Aug. 67; Sup. Amdt. No. 1, Amdt. 2; Dated, 17 Apr. 65

045°	230°	25 miles	*2000	Surveillance approach			
230°	045°	10 miles	*2300	T-dn	300-1	300-1	200-1½
230°	045°	15 miles	2500	C-dn-12R, 30L, 21#	400-1	500-1	500-1½
230°	045°	25 miles	3000	C-dn-3, S-dn-12R, 30L, 21,**	500-1	500-1	500-1½
				S-dn-3*	400-1	400-1	400-1
				A-dn	800-2	800-2	800-2

Bearings are from radar antenna site with sector azimuths progressing clockwise.

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished, Runways 12R and 21: Climb to 3000' via SAT, R 156° within 20 miles. Runways 3 and 30L: Climb to 3000' on R 353°, SAT VOR within 20 miles.

*Radar control must provide 1000' vertical or 3-mile horizontal separation from the following obstructions: Towers, 2049°—19 miles SE; 1241°—5 miles SSE; 1199°—10 miles SE; 1107°—3.5 miles SE; 1230°—7.5 miles S; 1326°—6.8 miles WSW; 1402°—6.5 miles S of airport.

**400-¾ authorized for Runway 12R and 500-¾ authorized Runway 3 with operative AL's, except for 4-engine turbojets.

*RVR 2400' authorized Runways 3 and 12R.

#Radar control must restrict descent to 1400' until aircraft is SE of 1120' water tower located 2.1 miles W of approach end of Runway 12R, and must restrict descent to 1400' until aircraft is NW of 1107' tower located 3.5 miles SE of approach end of Runway 30L.

City, San Antonio; State, Tex.; Airport name, San Antonio International; Elev., 808'; Fac. Class., and Ident., San Antonio Radar; Procedure No. 1, Amdt. 11; Eff. date, 12 Aug. 67; Sup. Amdt. No. 1, Amdt. 10; Dated, 10 June 67

				Surveillance approach			
				T-dn	500-1	500-1	500-1
				C-dn	1400-1	1400-1	1400-1½
				A-dn	1000-2	1000-2	1000-2

If visual contact not established upon descent to authorized landing minimums or if landing not accomplished, turn left, climb to 4000' direct GEG VOR.

%Takeoffs all runways: Climb visually over airport to 2400', thence direct GEG VOR, cross GEG VOR for direction of flight northeastbound, V2N—3900'; eastbound, V2—4300'; southeastbound, V2S—4700'.

MSA within 25 miles of GEG Radar: 000°—090°—7100'; 090°—180°—6300'; 180°—270°—4100'; 270°—360°—5300'.

City, Spokane; State, Wash.; Airport name, Felt Field; Elev., 1953'; Fac. Class., and Ident., Fairchild RAPCON; Procedure No. 1, Amdt. Orig.; Eff. date, 12 Aug. 67

These procedures shall become effective on the dates specified therein.

(Secs. 307(c), 313(a), 601 of the Federal Aviation Act of 1958; 49 U.S.C. 1348(c), 1354(a), 1421; 72 Stat. 749, 752, 775)

Issued in Washington, D.C., on July 6, 1967.

JAMES F. RUDOLPH,
Acting Director, Flight Standards Service.

[P.R. Doc. 67-8052; Filed, July 20, 1967; 8:45 a.m.]

Title 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 270—RULES AND REGULATIONS, INVESTMENT COMPANY ACT OF 1940

Definition of Exchange

On May 11, 1967, the Securities and Exchange Commission published notice (Investment Company Act Release No. 4950) in the FEDERAL REGISTER on May 18, 1967 (32 F.R. 7398), that it had under consideration the adoption of Rule 11a-1 under the Investment Company Act of 1940 ("Act") (§ 270.11a-1, Chapter II, Title 17 of the Code of Federal Regulations) and invited all interested persons to submit their views and comments upon the proposal. No comments were received. The Commission, after due consideration, has determined to adopt Rule 11a-1 (§ 270.11a-1) in the form set forth below.

Section 11(a) of the Act provides that it is unlawful for a registered open-end company or its principal underwriter to make an offer to any holder of the company's securities to exchange his security for a security in the same or another such company on any basis other than the relative net asset values of the respective securities to be exchanged, unless the Commission by rules, regulations or approval of a specific transaction permits the exchange to be made on such other basis. Accordingly, Section 11(a) (of the Act) contemplates that the Commission may adopt rules and regulations relating to offers of exchange to be made on a basis other than relative net asset values. Section 38(a) of the Act authorizes the Commission to make rules and regulations "as are necessary or appropriate to the exercise of the powers conferred upon the Commission elsewhere in this title, including rules and regulations defining accounting, technical, and trade terms used in this title."

Certain registered open-end investment companies have, since before the effective date of the Act, been issuing redeemable securities which, by their terms, mature or terminate, or are to be canceled at a specified date or after having been outstanding for a certain period of time. In addition, from time to time, inquiries have been received from other investment companies which have proposed to issue redeemable securities having termination provisions. At such termination date, or shortly thereafter, part or all of the proceeds of such terminated security may be used in payment of a redeemable security in the same company with a new termination date and with the imposition of a new sales load. In some instances, terminable redeemable securities may be repurchased by or on behalf of the issuer prior to their termination date and part or all of the proceeds of such repurchased securities similarly reinvested.

Rule 11a-1 (§ 270.11a-1) removes any previous uncertainty and makes clear that with respect to the proceeds of any terminable redeemable security issued after the effective date of the rule, the issuance of a new security under the circumstances discussed above will be considered an "exchange" within the meaning of that term as used in section 11 of the Act so as to preclude the imposition of a new sales load. The rule does not apply to the reinvestment of proceeds upon the repurchase, termination, retirement, or cancellation of any terminable redeemable security outstanding on the effective date of the rule or issued pursuant to a subscription agreement or other plan of acquisition in effect on such date.

Rule 11a-1 (§ 270.11a-1) defines the term "exchange" as used in section 11 of the Act to include, with certain exceptions, the issuance of any security by a registered investment company in an amount equal to the proceeds, or any portion of the proceeds, paid or payable to a security holder upon the repurchase by the company of an outstanding terminable redeemable security held by him, or upon the termination, retirement or cancellation of such a security in accordance with its terms. Such a security is not deemed to have been repurchased by the issuer, or terminated, retired, or canceled in accordance with its terms, if the issuer redeemed or repurchased the security and paid the redemption or repurchase price (1) upon presentation of the security for redemption or repurchase at the instance of its holder; (2) upon failure by the security holder to make prescribed payments; or (3) upon surrender of the security by the security holder pursuant to prescribed restrictions upon the security's transferability. In addition, an "exchange" is not deemed to have occurred if, following the repurchase of such a security by the issuer, or the termination, retirement, or cancellation of such a security in accordance with its terms, the proceeds are actually paid to the security holder by or on behalf of the issuer 7 days, and no sale and no offer (other than by way of exchange) of any security of the issuer is made by or on behalf of the issuer to the person to whom such proceeds were paid, within 60 days after such payment.

The Commission is today also issuing Investment Company Act Release No. 5025 adopting Rule 11b-1 (§ 270.11b-1) under the Investment Company Act of 1940 which is related hereto.

The text of Rule 11a-1 (§ 270.11a-1), adopted by the Commission pursuant to the authority granted to it in sections 11(a) and 38(a) of the Act, is as follows:

§ 270.11a-1 Definition of "exchange" for purposes of section 11 of the Act.

(a) For the purposes of section 11 of the Act, the term "exchange" as used therein shall include the issuance of any security by a registered investment company in an amount equal to the proceeds, or any portion of the proceeds, paid or payable—

(1) Upon the repurchase, by or at the instance of such issuer, of an outstanding

security the terms of which provide for its termination, retirement or cancellation, or

(2) Upon the termination, retirement or cancellation of an outstanding security of such issuer in accordance with the terms thereof.

(b) A security shall not be deemed to have been repurchased by or at the instance of the issuer, or terminated, retired or canceled in accordance with the terms of the security if—

(1) The security was redeemed or repurchased at the instance of the holder; or

(2) A security holder's account was closed for failure to make payments as prescribed in the security or instruments pursuant to which the security was issued, and notice of intention to close the account was mailed to the security holder, and he had a reasonable time in which to meet the deficiency; or

(3) Sale of the security was restricted to a specified, limited group of persons and, in accordance with the terms of the security or the instruments pursuant to which the security was issued, upon its being transferred by the holder to a person not a member of the group eligible to purchase the security, the issuer required the surrender of the security and paid the redemption price thereof.

(c) The provisions of paragraph (a) of this section shall not apply if, following the repurchase of an outstanding security by or at the instance of the issuer or the termination, retirement or cancellation of an outstanding security in accordance with the terms thereof—

(1) The proceeds are actually paid to the security holder by or on behalf of the issuer within 7 days, and

(2) No sale and no offer (other than by way of exchange) of any security of the issuer is made by or on behalf of the issuer to the person to whom such proceeds were paid, within 60 days after such payment.

(d) The provisions of paragraph (a) of this section shall not apply to the repurchase, termination, retirement, or cancellation of a security outstanding on the effective date of this section or issued pursuant to a subscription agreement or other plan of acquisition in effect on such date.

(Secs. 11(a), 38(a), 54 Stat. 808, 841; 15 U.S.C. 80a-11(a), 80a-37)

The foregoing rule is declared effective August 12, 1967.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

JULY 12, 1967.

[P.R. Doc. 67-8454; Filed, July 20, 1967; 8:45 a.m.]

PART 270—RULES AND REGULATIONS, INVESTMENT COMPANY ACT OF 1940

Definition of Class or Series of Securities Issued by the Same Company

On May 11, 1967, the Securities and Exchange Commission published notice

(Investment Company Act Release No. 4951) in the FEDERAL REGISTER on May 18, 1967 (32 F.R. 7399), that it had under consideration the adoption of Rule 11b-1 under the Investment Company Act of 1940 ("Act") (§ 270.11b-1, Chapter II, Title 17 of the Code of Federal Regulations) and invited all interested persons to submit their views and comments upon the proposal. No comments were received. The Commission, after due consideration, has determined to adopt Rule 11b-1 (§270.11b-1) in the form set forth below.

Section 11(a) of the Act provides that it is unlawful for a registered open-end company or its principal underwriter to make an offer to any holder of the company's securities to exchange his security for a security in the same or another such company on any basis other than the relative net asset values of the respective securities to be exchanged, unless the Commission by rules, regulations or approval of a specific transaction permits the exchange to be made on a different basis.

Section 11(b) (2) of the Act exempts from section 11(a) (of the Act) any offer made pursuant to the right of conversion, at the option of the security holder, from one class or series into another class or series of securities issued by the same company upon terms specified in the charter, certificate of incorporation, articles of association, bylaws, or trust indenture subject to which the securities to be converted were issued or to be issued.

Section 11(a) of the Act, as noted above, contemplates that the Commission may adopt rules and regulations relating to offers of exchange made at other than net asset value. Section 38(a) of the Act authorizes the Commission to make rules and regulations "as are necessary or appropriate to the exercise of the powers conferred upon the Commission elsewhere in this title, including rules and regulations defining accounting, technical, and trade terms used in this title."

The term "class or series of securities issued by the same company" used in section 11(b) (2) (of the Act) is not defined by any section of the Act. Related language is employed in section 18(f) (2) (of the Act). Section 18(f) (1) (of the Act), in relevant part, provides that it is unlawful for any registered open-end company to issue to the public any class of senior security or to sell any senior security of which it is the issuer, and section 18(f) (2) (of the Act) provides that the term "senior security" shall not, in the case of a registered open-end company include a class or classes or a number of series of preferred or special stock each of which is preferred over all other classes or series in respect of assets specifically allocated to that class or series." Accordingly, under the provisions of section 18(f) (of the Act), a registered open-end company cannot issue any senior convertible security to the public, with the exception of a security of the type described in section 18(f) (2) (of the Act).

The provisions of section 18(f) (2) (of the Act) relate to so-called "series com-

panies," each of which maintains a series of separate differentiated pools of assets, in respect to each of which there is a class or series of securities outstanding which represents the exclusive and entire participation in the particular pool. Thus, section 18(f) (2) (of the Act) provides that each such class or series of securities must have a preference over all other classes or series of securities with respect to the particular pool of assets to which it relates.

The purpose of Rule 11b-1 (§ 270.11b-1) is to specify that the exemption provided by section 11(b) (2) (of the Act) is available only to the type of "series company" described in section 18(f) (2) (of the Act). Accordingly, Rule 11b-1 (§ 270.11b-1) defines the term "class or series of securities issued by the same company" as used in section 11(b) (2) (of the Act) to mean all securities issued by a registered open-end investment company which are preferred over all other classes or series in respect of assets specifically allocated to that class or series.

The Commission has issued today Investment Company Act Release No. 5024 adopting Rule 11a-1 (§ 270.11a-1) under the Investment Company Act of 1940 which is related hereto.

The text of Rule 11b-1 (270.11b-1) adopted by the Commission pursuant to the authority granted to it in sections 11(a) and 38(a) of the Act, is as follows:

§ 270.11b-1 Definition of "class or series of securities issued by the same company" for purposes of section 11(b) (2) of the Act.

For the purposes of subsection 11(b) (2) of the Act, the term "class or series of securities issued by the same company" shall mean any securities issued by a registered open-end investment company which are preferred over all other classes or series in respect of assets specifically allocated to that class or series. (Secs. 11(a), 38(a), 54 Stat. 808, 841; 15 U.S.C. 80a-11(a), 80a-37)

The foregoing is declared effective August 12, 1967.

By the Commission.

[SEAL] ORVAL L. DuBois,
Secretary.

JULY 12, 1967.

[F.R. Doc. 67-9453; Filed, July 20, 1967; 8:45 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER A—GENERAL

PART 1—REGULATIONS FOR THE ENFORCEMENT OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT AND THE FAIR PACKAGING AND LABELING ACT

Miscellaneous Amendments

In the matter of amending the enforcement regulations (21 CFR Part 1)

with respect to the requirements of the Fair Packaging and Labeling Act (Public Law 89-755) to (1) establish an exemption procedure for foods, drugs, and cosmetics, (2) set forth the requirements for label statements for foods, and (3) establish exemptions for foods:

In response to the notice of proposed rulemaking in the above-identified matter published in the FEDERAL REGISTER of March 17, 1967 (32 F.R. 4172), over 300 comments were submitted by Federal and State officials and by representatives of industry, and these comments have been duly considered. Also, the Committee on Laws and Regulations of the National Conference of Weights and Measures and the Executive Committee of the Association of Food and Drug Officials of the United States have been consulted on many provisions of the proposal since under section 12 of the Fair Packaging and Labeling Act the States, which have additional interests in this area of regulation, are precluded from imposing labeling laws that are less stringent than or require information different from the requirements of section 4 of that Act or regulations promulgated thereunder. Discussions of the proposal were also had with other Federal officials. On the basis of the information available to him from these and other sources, the Commissioner of Food and Drugs' decisions on those provisions of the proposal that elicited the largest volume of arguments are as follows:

1. The Commissioner is of the opinion that the exemption from bearing otherwise mandatory label information applicable (under certain circumstances) to outer containers or wrappers by the terms of the Federal Food, Drug, and Cosmetic Act should also be recognized in the regulations implementing the Fair Packaging and Labeling Act. Therefore, transparent wrappers or containers are, under stated conditions, exempt from bearing mandatory label information under the regulations set forth below. The State officials who addressed themselves to this issue are in agreement with this interpretation. Understandably, comments from industry strongly support this interpretation.

2. The Commissioner has accepted the recommendation of State officials that the proposed directions for computing the area of the principal display panel should be defined more explicitly. The statutory requirements for uniformity of type size in net quantity declarations preclude the adoption of suggestions from industry officials that the type size be established in relation to the area of the label.

3. In the matter of requiring particular food forms to be included in the statement of identity, there was no general consensus among State officials, and the Commissioner is not in agreement with the views of industry that this is an unnecessary specification. Neither is he persuaded that the statement of identity and declaration of net quantity belong elsewhere than on the principal display panel.

4. There is general agreement that the statutory requirement that the net

quantity shall be separately stated can be satisfied by a rule requiring a reasonable separation in relation to the type size of the net quantity statement. There is no general consensus on the issue of the uniform location of the net quantity statement, and the Commissioner cannot accept the recommendation found in a great many of the comments that the statement appear at the top or bottom of the label at the option of the manufacturer.

5. The proposed provision to exclude the weight of propellants in net weight declarations is not included in the following order because State and Federal officials commenting thereon were of the opinion that there is not presently available a generally accepted, practical method for determining such weight. It is the intention of the Commissioner to attempt to obtain agreement on an acceptable method among the interested regulatory officials.

6. The type sizes proposed for the net quantity declaration have produced the greatest number of comments. Most of the writers suggested that the sizes proposed be replaced by the type size specifications adopted by the National Conference of Weights and Measures. The type sizes required by the following order are not those of the National Conference, but the Commissioner has good cause to believe that the sizes ordered are reasonable.

7. Proposed § 1.8b(q) is revised and calls for the net quantity statement to express an accurate statement of the quantity of contents of the package. Reasonable variations caused by loss or gain of moisture during the course of good distribution practice or by unavoidable deviations in good manufacturing practice will be recognized. At a later date the Commissioner will propose an amendment to § 1.8b(q) to specify a means whereby industry and State and Federal Government may make a definitive determination whether any variation is reasonable or unreasonable.

8. Proposed § 1.10(d), dealing with quantitative declaration of certain ingredients, has been revised in response to requests for greater specificity.

Therefore, based on consideration of the comments received, the above-mentioned consultations, and other relevant information, the Commissioner concludes that the proposed amendments should be issued, with changes and additions, as set forth below. Accordingly, pursuant to the provisions of the Fair Packaging and Labeling Act (secs. 4, 6, 80 Stat. 1297, 1299, 1300; 15 U.S.C. 1453, 1455) and the authority provided in the Federal Food, Drug, and Cosmetic Act (secs. 403 (e), (f), (i), 502(b), 602(b), 701, 52 Stat. 1047, 1050, 1054, 1055, as amended; 21 U.S.C. 343 (e), (f), (i), 352(b), 362(b), 371), and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.120): It is ordered, That Part 1 be amended:

1. By changing the part heading to read as set forth above.

2. By revising § 1.1 to read as follows:

§ 1.1 General.

(a) The provisions of regulations promulgated under the Federal Food, Drug, and Cosmetic Act with respect to the doing of any act shall be applicable also to the causing of such act to be done.

(b) The definitions and interpretations of terms contained in section 201 of the Federal Food, Drug, and Cosmetic Act shall be applicable also to such terms when used in regulations promulgated under that act.

(c) The definition of "package" in § 1.1b and of "principal display panel" in § 1.7; and the substantive requirements pertaining to uniform location, lack of qualification, and separation of the net quantity declaration in § 1.8b(f), to type size requirements for net quantity declaration in § 1.8b(i), to initial statement of ounces in the dual declaration of net quantity in § 1.8b(j) and (m), to prohibition of certain supplemental net quantity statements in § 1.8b(o), and to servings representations in § 1.8c are provided for solely by the Fair Packaging and Labeling Act and apply to certain consumer commodities defined in section 10 of that act. The other requirements of this part are provided for by both Fair Packaging and Labeling Act and the Federal Food, Drug, and Cosmetic Act or by the latter act solely, are enforceable under the provisions of section 303 of the Federal Food, Drug, and Cosmetic Act, and are not limited in their application by section 10 of the Fair Packaging and Labeling Act.

3. By adding new §§ 1.1a and 1.1b, and 1.1c, as follows:

§ 1.1a Foods, drugs, devices, and cosmetics; labeling; procedure for requesting variations and exemptions from required label statements.

Section 403(e) of the act (in this Part 1, the term "act" means the Federal Food, Drug, and Cosmetic Act) provides for the establishment by regulation of reasonable variations and exemptions for small packages from the required declaration of net quantity of contents. Section 403(i) of the act provides for the establishment by regulation of exemptions from the required declaration of ingredients where such declaration is impracticable, or results in deception or unfair competition. Section 502(b) of the act provides for the establishment by regulation of reasonable variations and exemptions for small packages from the required declaration of net quantity of contents. Section 602(b) of the act provides for the establishment by regulation of reasonable variations and exemptions for small packages from the required declaration of net quantity of contents. Section 5(b) of the Fair Packaging and Labeling Act provides for the establishment by regulation of exemptions from certain required declarations of net quantity of contents, identity of commodity, identity and location of manufacturer, packer, or distributor, and from declaration of net quantity of servings represented, based on a finding that full compliance with such required declarations is impracticable or not necessary

for the adequate protection of consumers, and a further finding that the nature, form, or quantity of the packaged consumer commodity or other good and sufficient reasons justify such exemptions. The Commissioner, on his own initiative or on petition of an interested person, may propose such findings and an exemption. The procedure followed and the criteria used in acting upon exemption requests of interested persons are as follows:

(a) If the petitioner shows that he is an interested person and furnishes reasonable grounds for his proposal, the Commissioner shall publish the proposal in the FEDERAL REGISTER and afford opportunity for interested persons to comment on it. After a study of all the facts available and of the comments received, the Commissioner will act upon the proposal and publish an order, pursuant to section 701(e) of the act, to which objection may be taken by persons who would be adversely affected.

(b) Practical administration of the law requires that there be a substantial showing of merit before any proposal is published. In evaluating proposals submitted by petitioners for initiating actions, it will be the policy of the Food and Drug Administration to consider that reasonable grounds have been furnished when:

(1) The proposal includes or is accompanied by a statement of the facts that the petitioner asserts he can substantiate by evidence in the event the proceedings lead to a public hearing.

(2) The declared facts furnish substantial support of the proposal and warrant a conclusion that the proposal is reasonable.

(3) The proposal if adopted would not unduly impinge upon the consumer's right to information essential to efficient marketing and to the making of value comparisons and would not otherwise promote deception or unfair competition.

(4) Full compliance with the declarations required by law would be impracticable, deceptive, or otherwise unnecessary.

(c) Opportunity will be given to amend petitions regarded as inadequate.

(d) At any time prior to the issuance of an order acting on his proposal under section 701(e)(1) of the act, the petitioner may withdraw his petition without prejudice to a future filing. Notice of withdrawal of the petition and termination of the rulemaking proceeding will be published in the FEDERAL REGISTER.

(e) Established exemptions will be set forth in § 1.1c.

§ 1.1b Packages; definition; presence of mandatory label information.

The term "package" means any container or wrapping in which any food, drug, device, or cosmetic is enclosed for use in the delivery or display of such commodities to retail purchasers, but does not include:

(a) Shipping containers or wrappings used solely for the transportation of any such commodity in bulk or in quantity

to manufacturers, packers, processors, or wholesale or retail distributors;

(b) Shipping containers or outer wrappings used by retailers to ship or deliver any such commodity to retail customers if such containers and wrappings bear no printed matter pertaining to any particular commodity; or

(c) Containers subject to the provisions of the Act of August 3, 1912 (37 Stat. 250, as amended; 15 U.S.C. 234-236), the Act of August 31, 1916 (39 Stat. 673, as amended; 15 U.S.C. 251-256), or the Act of May 21, 1928 (45 Stat. 685, as amended; 15 U.S.C. 257-257i).

(d) Containers used for tray pack displays in retail establishments.

(e) Transparent wrappers or containers which do not bear written, printed, or graphic matter obscuring the label information required by this part.

A requirement contained in this part that any word, statement, or other information appear on the label shall not be considered to be complied with unless such word, statement, or information also appears on the outer container or wrapper of the retail package of the article, or, as stated in paragraph (e) of this section, such information is easily legible by virtue of the transparency of the outer wrapper or container. Where a consumer commodity is marketed in a multiunit retail package bearing the mandatory label information as required by this part and the unit containers are not intended to be sold separately, the net weight placement requirement of § 1.8b(f) applicable to such unit containers is waived if the units are in compliance with all the other requirements of this part.

§ 1.1c Exemptions from required label statements.

The following exemptions are granted from label statements required by this part:

(a) *Foods.* (1) While held for sale, a food shall be exempt from the required declaration of net quantity of contents specified in this part if said food is received in bulk containers at a retail establishment and is accurately weighed, measured, or counted either within the view of the purchaser or in compliance with the purchaser's order.

(2) Random food packages, as defined in § 1.8b(j) of this part, bearing labels declaring net weight, price per pound, and total price, shall be exempt from the type size, dual declaration, and placement requirements of § 1.8b, if the accurate statement of net weight is presented conspicuously on the principal display panel of the package.

(3) Individual serving-size packages of foods containing less than ½ ounce or less than ½ fluid ounce for use in restaurants, institutions, and passenger carriers, and not intended for sale at retail, shall be exempt from the required declaration of net quantity of contents specified in this part.

(4) Individually wrapped pieces of "penny candy" shall be exempt from the labeling requirements of this part when the container in which such candy is

shipped is in conformance with the labeling requirements of this part. Similarly when individually wrapped pieces of candy of less than ½ ounce net weight per individual piece are sold in bags or boxes, such individual pieces shall be exempt from the required declaration of net quantity of contents specified in this part when the declaration on the bag or box meets the requirements of this part.

4. By revising § 1.2 to read as follows:

§ 1.2 Labeling; label; definitions.

(a) Labeling includes all written, printed, or graphic matter accompanying an article at any time while such article is in interstate commerce or held for sale after shipment or delivery in interstate commerce.

(b) "Label" means any display of written, printed, or graphic matter on the immediate container of any article, or any such matter affixed to any consumer commodity or affixed to or appearing upon a package containing any consumer commodity.

§ 1.5 [Redesignated]

5. By redesignating § 1.7 as § 1.15 and adding a new § 1.7, as follows:

§ 1.7 Food in package form; principal display panel.

The term "principal display panel" as it applies to food in package form and as used in this part, means the part of a label that is most likely to be displayed, presented, shown, or examined under customary conditions of display for retail sale. The principal display panel shall be large enough to accommodate all the mandatory label information required to be placed thereon by this part with clarity and conspicuousness and without obscuring design, vignettes, or crowding. Where packages bear alternate principal display panels, information required to be placed on the principal display panel shall be duplicated on each principal display panel. For the purpose of obtaining uniform type size in declaring the quantity of contents for all packages of substantially the same size, the term "area of the principal display panel" means the area of the side or surface that bears the principal display panel, which area shall be:

(a) In the case of a rectangular package where one entire side properly can be considered to be the principal display panel side, the product of the height times the width of that side;

(b) In the case of a cylindrical or nearly cylindrical container, 40 percent of the product of the height of the container times the circumference;

(c) In the case of any other shaped container, 40 percent of the total surface of the container.

In determining the area of the principal display panel, exclude flanges at tops and bottoms of cans and shoulders and necks of bottles or jars. In the case of cylindrical or nearly cylindrical containers, information required by this part to appear on the principal display panel shall appear within that 40 percent of the circumference which is most likely to be displayed, presented, shown, or

examined under customary conditions of display for retail sale.

6. By revising § 1.8 and adding new §§ 1.8a, 1.8b, and 1.8c, as follows:

§ 1.8 Food in package form, labeling; identity.

(a) The principal display panel of a food in package form shall bear as one of its principal features a statement of the identity of the commodity.

(b) Such statement of identity shall be in terms of:

(1) The name now or hereafter specified in or required by any applicable Federal law or regulation; or, in the absence thereof,

(2) The common or usual name of the food; or, in the absence thereof,

(3) An appropriately descriptive term, or when the nature of the food is obvious, a fanciful name commonly used by the public for such food.

(c) Where a food is marketed in various optional forms (whole, slices, diced, etc.), the particular form shall be considered to be a necessary part of the statement of identity and shall be declared in letters of a type size bearing a reasonable relation to the size of the letters forming the other components of the statement of identity; except that if the optional form is visible through the container or is depicted by an appropriate vignette, the particular form need not be included in the statement. This specification does not affect the required declarations of identity under definitions and standards for foods promulgated pursuant to section 401 of the act.

(d) This statement of identity shall be presented in bold type on the principal display panel, shall be in a size reasonably related to the most prominent printed matter on such panel, and shall be in lines generally parallel to the base on which the package rests as it is designed to be displayed.

§ 1.8a Food labeling; name and place of business of manufacturer, packer, or distributor.

(a) The label of a food in packaged form shall specify conspicuously the name and place of business of the manufacturer, packer, or distributor.

(b) The requirement for declaration of the name of the manufacturer, packer, or distributor shall be deemed to be satisfied, in the case of a corporation, only by the actual corporate name, which may be preceded or followed by the name of the particular division of the corporation. In the case of an individual, partnership, or association, the name under which the business is conducted shall be used.

(c) Where the food is not manufactured by the person whose name appears on the label, the name shall be qualified by a phrase that reveals the connection such person has with such food; such as, "Manufactured for and packed by _____" "Distributed by _____" or any other wording that expresses the facts.

(d) The statement of the place of business shall include the street address, city, State, and ZIP Code; however, the street address may be omitted if it is

shown in a current city directory or telephone directory.

(e) If a person manufactures, packs, or distributes a food at a place other than his principal place of business, the label may state the principal place of business in lieu of the actual place where such food was manufactured or packed or is to be distributed, unless such statement would be misleading.

§ 1.8b Food labeling; declaration of net quantity of contents; when exempt.

(a) The principal display panel of a food in package form shall bear a declaration of the net quantity of contents. This shall be expressed in the terms of weight, measure, numerical count, or a combination of numerical count and weight or measure. The statement shall be in terms of fluid measure if the food is liquid, or in terms of weight if the food is solid, semisolid, or viscous, or a mixture or solid and liquid; except that such statement may be in terms of dry measure if the food is a fresh fruit, fresh vegetable, or other dry commodity that is customarily sold by dry measure. If there is a firmly established general consumer usage and trade custom of declaring the contents of a liquid by weight, or a solid, semisolid, or viscous product by fluid measure, it may be used. Whenever the Commissioner determines that an existing practice of declaring net quantity of contents by weight, measure, numerical count, or a combination in the case of a specific packaged food does not facilitate value comparisons by consumers and offers opportunity for consumer confusion, he will by regulation designate the appropriate term or terms to be used for such commodity.

(b) (1) Statements of weight shall be in terms of avoirdupois pound and ounce.

(2) Statements of fluid measure shall be in terms of the U.S. gallon of 231 cubic inches and quart, pint, and fluid ounce subdivisions thereof, and shall:

(i) In the case of frozen food that is sold in the frozen state, express the volume at 32° F. (0° C.).

(ii) In the case of refrigerated food that is sold in the refrigerated state, express the volume at 40° F. (4° C.).

(iii) In the case of other foods, express the volume at 68° F. (20° C.).

(3) Statements of dry measure shall be in terms of the U.S. bushel of 2,150.42 cubic inches and peck, dry quart, and dry pint subdivisions thereof.

(c) When the declaration of quantity of contents by numerical count does not give adequate information as to the quantity of food in the package, it shall be combined with such statement of weight, measure, or size of the individual units of the foods as will provide such information.

(d) The declaration may contain common or decimal fractions. A common fraction shall be in terms of halves, quarters, eighths, sixteenths, or thirty-seconds; except that if there exists a firmly established general consumer usage and trade custom of employing different common fractions in the net quantity declaration of a particular commodity, they may be employed. A common fraction

shall be reduced to its lowest terms; a decimal fraction shall not be carried out to more than two places. A statement that includes small fractions of an ounce shall be deemed to permit smaller variations than one which does not include such fractions.

(e) The declaration shall be located on the principal display panel of the label, and with respect to packages bearing alternate principal panels it shall be duplicated on each principal display panel.

(f) The declaration shall appear as a distinct item on the principal display panel, shall be separated (by at least a space equal to the height of the lettering used in the declaration) from other printed label information appearing above or below the declaration and (by at least a space equal to twice the width of the letter "N" of the style of type used in the quantity of contents statement) from other printed label information appearing to the left or right of the declaration. It shall not include any term qualifying a unit of weight, measure, or count (such as "jumbo quart" and "full gallon") that tends to exaggerate the amount of the food in the container. It shall be placed on the principal display panel within the bottom 30 percent of the area of the label panel in lines generally parallel to the base on which the package rests as it is designed to be displayed. *Provided*, That on packages having a principal display panel of 5 square inches or less, the requirement for placement within the bottom 30 percent of the area of the label panel shall not apply when the declaration of net quantity of contents meets the other requirements of this part.

(g) The declaration shall accurately reveal the quantity of food in the package exclusive of wrappers and other material packed therewith; provided that in the case of foods packed in containers designed to deliver the food under pressure, the declaration shall state the net quantity of the contents that will be expelled when the instructions for use as shown on the container are followed. The propellant is included in the net quantity declaration.

(h) The declaration shall appear in conspicuous and easily legible boldface print or type in distinct contrast (by typography, layout, color, embossing, or molding) to other matter on the package; except that a declaration of net quantity blown, embossed, or molded on a glass or plastic surface is permissible when all label information is so formed on the surface. Requirements of conspicuousness and legibility shall include the specifications that:

(1) The ratio of height to width (of the letter) shall not exceed a differential of 3 units to 1 unit (no more than 3 times as high as it is wide).

(2) Letter heights pertain to upper case or capital letters. When upper and lower case or all lower case letters are used, it is the lower case letter "o" or its equivalent that shall meet the minimum standards.

(3) When fractions are used, each component numeral shall meet one-half the minimum height standards.

(i) The declaration shall be in letters and numerals in a type size established in relationship to the area of the principal display panel of the package and shall be uniform for all packages of substantially the same size by complying with the following type specifications:

(1) Not less than $\frac{1}{16}$ inch in height on packages the principal display panel of which has an area of 5 square inches or less.

(2) Not less than $\frac{1}{8}$ inch in height on packages the principal display panel of which has an area of more than 5 but not more than 25 square inches.

(3) Not less than $\frac{3}{16}$ inch in height on packages the principal display panel of which has an area of more than 25 but not more than 100 square inches.

(4) Not less than $\frac{1}{4}$ inch in height on packages the principal display panel of which has an area of more than 100 square inches, except not less than $\frac{1}{2}$ inch in height if the area is more than 400 square inches.

Where the declaration is blown, embossed, or molded on a glass or plastic surface rather than by printing, typing, or coloring, the lettering sizes specified in subparagraphs (1) through (4) of this paragraph shall be increased by $\frac{1}{16}$ of an inch.

(j) On packages containing less than 4 pounds or 1 gallon and labeled in terms of weight or fluid measure:

(1) The declaration shall be expressed both in ounces, with identification by weight or by liquid measure and, if applicable (1 pound or 1 pint or more) followed in parentheses by a declaration in pounds for weight units, with any remainder in terms of ounces or common or decimal fractions of the pound (see examples set forth in paragraph (m) (1) and (2) of this section), or in the case of liquid measure, in the largest whole units (quarts, quarts and pints, or pints, as appropriate) with any remainder in terms of fluid ounces or common or decimal fractions of the pint or quart (see examples in paragraph (m) (3) and (4) of this section).

(2) If the net quantity of contents declaration appears on a random package, that is a package which is one of a lot, shipment, or delivery of packages of the same consumer commodity with varying weights and with no fixed weight pattern, it may, when the net weight exceeds 1 pound, be expressed in terms of pounds and decimal fractions of the pound carried out to not more than two decimal places. When the net weight does not exceed 1 pound, the declaration on the random package may be in decimal fractions of the pound in lieu of ounces (see example in paragraph (m) (5) of this section).

(3) The declaration may appear in more than one line. The term "net weight" shall be used when stating the net quantity of contents in terms of weight. Use of the terms "net" or "net contents" in terms of fluid measure or

numerical count is optional. It is sufficient to distinguish avoirdupois ounce from fluid ounce through association of terms; for example, "Net wt. 6 oz." and "Net contents 6 fl. oz."

(k) On packages containing 4 pounds or 1 gallon or more and labeled in terms of weight or fluid measure, the declaration shall be expressed in pounds for weight units with any remainder in terms of ounces or common or decimal fraction of the pound, or in the case of fluid measure, it shall be expressed in the largest whole unit (gallons followed by common or decimal fraction of a gallon or by the next smaller whole unit or units (quarts, or quarts and pints)) with any remainder in terms of fluid ounces or common or decimal fractions of the pint or quart (see paragraph (m) (6) of this section).

(l) [Reserved]

(m) Examples:

(1) A declaration of 1½ pounds weight shall be expressed as "Net Wt. 24 oz. (1 lb., 8 oz.)" "Net Wt. 24 oz. (1.5 lb.)".

(2) A declaration of ¾ pound avoirdupois weight shall be expressed as "Net Wt. 12 oz."

(3) A declaration of 1 quart liquid measure shall be expressed as "Net 32 fl. oz. (1 qt.)".

(4) A declaration of 1¼ quarts liquid measure shall be expressed as "Net contents 56 fluid ounces (1 quart 1½ pints)" or as "Net 56 fluid oz. (1 qt. 1 pt. 8 oz.)", but not in terms of quart and ounce such as "Net 56 fluid oz. (1 quart 24 ounces)".

(5) On a random package, declaration of ¾ pound avoirdupois may be expressed as "Net Wt. 75 lb."

(6) A declaration of 2½ gallons liquid measure shall be expressed as "Net contents 2½ gallons," "Net contents 2.5 gallons," or "Net contents 2 gallons 2 quarts" and not as "2 gallons 4 pints".

(n) For quantities, the following abbreviations and none other may be employed (periods and plural forms are optional):

weight wt.	pint pt.
ounce oz.	quart qt.
pound lb.	fluid fl.
gallon gal.	

(o) Nothing in this section shall prohibit supplemental statements at locations other than the principal display panel(s) describing in nondeceptive terms the net quantity of contents: *Provided*, That such supplemental statements of net quantity of contents shall not include any term qualifying a unit of weight, measure, or count that tends to exaggerate the amount of the food contained in the package; for example, "jumbo quart" and "full gallon". Dual or combination declarations of net quantity of contents as provided for in paragraphs (a), (c), and (j) of this section (for example, a combination of net weight plus numerical count, net weight plus dilution directions of a concentrate, etc.) are not regarded as supplemental net quantity statements and shall be located on the principal display panel.

(p) A separate statement of the net quantity of contents in terms of the metric system is not regarded as a supplemental statement and an accurate statement of the net quantity of contents in terms of the metric system of weight or measure may also appear on the principal display panel or on other panels.

(q) The declaration of net quantity of contents shall express an accurate statement of the quantity of contents of the package. Reasonable variations caused by loss or gain of moisture during the course of good distribution practice or by unavoidable deviations in good manufacturing practice will be recognized. Variations from stated quantity of contents shall not be unreasonably large.

§ 1.8c Food labeling; number of servings.

(a) The label of any package of a food which bears a representation as to the number of servings contained in such package shall bear in immediate conjunction with such statement, and in the same size type as is used for such statement, a statement of the net quantity (in terms of weight, measure, or numerical count) of each such serving; however, such statement may be expressed in terms that differ from the terms used in the required statement of net quantity of contents (for example, cupfuls, tablespoonfuls, etc.) when such differing term is common to cookery and describes a constant quantity. Such statement may not be misleading in any particular.

(b) If there exists a voluntary product standard promulgated pursuant to the procedures found in Part 10, Title 15, Code of Federal Regulations, by the Department of Commerce, quantitatively defining the meaning of the term "serving" with respect to a particular food, then any label representation as to the number of servings in such packaged food shall correspond with such quantitative definition. (Copies of published standards are available upon request from the National Bureau of Standards, Department of Commerce, Washington, D.C. 20234.)

7. By revising § 1.10 (d) and (e) and adding a new paragraph (h), as follows:

§ 1.10 Food; labeling; designation of ingredients.

(d) When the proportion of an ingredient or ingredients is material in the light of the representation that such ingredient was used in fabricating the food, the label shall contain a quantitative declaration of such ingredient(s). For example, a label designation of identity as "cottonseed oil and olive oil" for a mixture containing 80 percent or more of cottonseed oil would require a declaration of the percent of olive oil present. Similarly a representation by vignette or statement of identity that a breakfast syrup is made from a mixture of sugar syrup and maple sugar syrup would necessitate a quantitative declaration of the maple sugar syrup unless more than 20 percent maple sugar syrup is present.

(e) In the case of an assortment of different items of food, when variations in the items that make up different packages packed from such assortment normally occur in good packing practice and when such variations result in variations in the ingredients in different packages, such food shall be exempt from compliance with the requirements of clause (2) of section 403(i) of the act with respect to any ingredient that is not common to all packages. Such exemption, however, shall be on the condition that the label shall bear, in conjunction with the names of such ingredients as are common to all packages, a statement (in terms that are as informative as practicable and that are not misleading) indicating that other ingredients may be present.

(h) Ingredients shall be listed by common or usual name in order of decreasing predominance. The declaration shall be presented on any appropriate information panel in adequate type size, without obscuring design, vignettes, or crowding. The entire ingredient statement shall appear on a single panel of the label.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections adversely affected by the order and objections thereto. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing, and such objections must be supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in six copies.

Effective date. This order shall become effective (1) December 31, 1967, for all new packages, new label designs, and labels being reordered and (2) July 1, 1968, for all packages introduced into interstate commerce; except as to any provisions that may be stayed by the filing of proper objections. Notice of the filing of objections or lack thereof will be announced by publication in the FEDERAL REGISTER.

(Secs. 4, 6, 80 Stat. 1297, 1299, 1300, 15 U.S.C. 1453, 1455; secs. 403 (e), (f), (i), 502(b), 602 (b), 701, 82 Stat. 1047, 1050, 1054, 1055, as amended, 21 U.S.C. 343 (e), (f), (i), 352(b), 362(b), 371)

Dated: July 17, 1967.

JAMES L. GODDARD,
Commissioner of Food and Drugs.

[F.R. Doc. 67-8457; Filed, July 20, 1967; 8:46 a.m.]

PART 3—STATEMENTS OF GENERAL POLICY OR INTERPRETATION

Utilization of Packages and Labels Not in Compliance With Labeling Requirements of Fair Packaging and Labeling Act

In the FEDERAL REGISTER of March 17, 1967 (32 F.R. 4172), the Food and Drug Administration proposed initial regulations in the implementation of the Fair Packaging and Labeling Act, and notice was given that when the Commissioner of Food and Drugs acted upon the proposal he would issue a statement of policy dealing with the orderly disposition of label stocks in inventory. In this issue of the FEDERAL REGISTER, the Commissioner has published an order acting upon the proposal of March 17, 1967, and accordingly said statement of policy is set forth below.

Therefore, under the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 701(a), 52 Stat. 1055; 21 U.S.C. 371(a)) and by the Fair Packaging and Labeling Act (secs. 4, 6, 80 Stat. 1297, 1299, 1300; 15 U.S.C. 1453, 1455), and delegated by him to the Commissioner (21 CFR 2.120), Part 3 is amended by adding thereto the following new section:

§ 3.57 Stocks of packages and labels not complying with section 4 of the Fair Packaging and Labeling Act.

(a) Implementation of the Fair Packaging and Labeling Act (Public Law 89-755) will require changes in the labels of many foods, drugs, and cosmetics now on the market. The law does not contemplate a disruption of legitimate business practices nor destruction of all stocks of labels and packages rendered not-in-compliance by the effective date of the regulations promulgated pursuant to that Act. Section 6 of the Fair Packaging and Labeling Act provides that "no regulation adopted under this Act shall preclude the continued use of returnable or reusable glass containers for beverages in inventory or with the trade as of the effective date of this Act, nor shall any regulation under this Act preclude the orderly disposal of packages in inventory or with the trade as of the effective date of such regulation." Section 13 provides that the promulgating authority may by regulation postpone the effective date of the Fair Packaging and Labeling Act for an additional 12-month period for classes or types of consumer commodities.

(b) In the order published in the FEDERAL REGISTER of July 21, 1967, it is stated that the effective date of that initial order covering food labels under the Fair Packaging and Labeling Act shall be December 31, 1967, for all new food packages, new label designs, and labels being reordered, and shall be July 1, 1968, for all food packages and labels being introduced into interstate commerce. Extensions for stocks of packages and labels beyond July 1, 1968, will be considered on an individual case basis and are grantable for good cause shown. Good cause would necessarily include a showing that:

(1) The stocks are in compliance with the present terms of the Federal Food, Drug, and Cosmetic Act and the regulations thereunder;

(2) Due diligence was expended in devising and obtaining labels and packages in compliance with the new regulations insofar as the facilities of the label and package manufacturers permit; and

(3) The stocks did not result from a deliberate attempt to overstock.

(Secs. 4, 6, 80 Stat. 1297, 1299, 1300, 15 U.S.C. 1453, 1455; sec. 701(a), 52 Stat. 1055, 21 U.S.C. 371(a))

Dated: July 17, 1967.

JAMES L. GODDARD,
Commissioner of Food and Drugs.

[F.R. Doc. 67-8463; Filed, July 20, 1967;
8:45 a.m.]

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Ammoniates

A petition (PP 6F0488) was filed with the Food and Drug Administration by the FMC Corp., Niagara Chemical Division, 100 Niagara Street, Middleport, N.Y. 14105, proposing the establishment of tolerances for residues of a fungicide that is a mixture of 5.2 parts by weight of ammoniates of [ethylenebis(dithiocarbamate)] zinc with 1 part by weight ethylenebis[dithiocarbamic acid] bimolecular and trimolecular cyclic anhydrosulfides and disulfides in or on the raw agricultural commodities cherries at 20 parts per million and apples, celery, cucumbers, melons, squash, and tomatoes at 7 parts per million.

Subsequently, the proposed tolerances regarding cherries, melons, and squash were withdrawn; the proposed tolerance regarding celery, cucumbers, and tomatoes was decreased to 5 parts per million; and a proposed tolerance of 5 parts per million for residues in or on cantaloups was added. Also, it was specified that the tolerances are to be calculated as zinc ethylenebis(dithiocarbamate).

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purposes for which tolerances are being established.

Based on consideration given the data submitted in the petition, and other relevant material, the Commissioner of Food and Drugs concludes that the tolerances established by this order will protect the public health. Therefore, by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2)) and delegated by him to the Commissioner (21 CFR 2.120), Part 120 is amended as follows:

1. Section 120.3(e)(3) is amended by alphabetically inserting in the list of pesticides a new item, as follows:

§ 120.3 Tolerances for related pesticide chemicals.

(e) * * *

(3) * * *

A mixture of 5.2 parts by weight of ammoniates of [ethylenebis(dithiocarbamate)] zinc with 1 part by weight ethylenebis[dithiocarbamic acid] bimolecular and trimolecular cyclic anhydrosulfides and disulfides.

2. A new section is added to Subpart C as follows:

§ 120.217 Ammoniates of [ethylenebis(dithiocarbamate)] zinc and ethylenebis[dithiocarbamic acid] bimolecular and trimolecular cyclic anhydrosulfides and disulfides; tolerances for residues.

Tolerances for residues of a fungicide that is a mixture of 5.2 parts by weight of ammoniates of [ethylenebis(dithiocarbamate)] zinc with 1 part by weight ethylenebis[dithiocarbamic acid] bimolecular and trimolecular cyclic anhydrosulfides and disulfides, calculated as zinc ethylenebis(dithiocarbamate), in or on raw agricultural commodities are established as follows:

7 parts per million in or on apples.

5 parts per million in or on celery, cantaloups, cucumbers, tomatoes.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in triplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2))

Dated: July 13, 1967.

J. K. KIRK,
Associate Commissioner
for Compliance.

[F.R. Doc. 67-8481; Filed, July 20, 1967;
8:48 a.m.]

PART 121—FOOD ADDITIVES

Subpart C—Food Additives Permitted in the Feed and Drinking Water of Animals or for the Treatment of Food-Producing Animals

FURALADONE

On the basis of new information, the Commissioner of Food and Drugs concludes that the food additive regulation

providing for the safe use of furaltadone in the treatment of bovine mastitis by three instillations (each after a milking) should be amended to permit one to three instillations instead since under certain circumstances less than three is adequate. Accordingly, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 409, 701(a), 52 Stat. 1055, 72 Stat. 1785; 21 U.S.C. 348, 371(a)) and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.120), § 121.249(a)(2)(ii) is revised to read as follows:

§ 121.249 Food additives for use in milk-producing animals.

- (a) * * *
- (2) * * *

(ii) Treat lactating cows with the contents of 15 milliliters in each infected quarter immediately after milking and allow to remain in the quarter until the next milking. Treatment may be repeated after each milking for a total of three instillations.

This order, which provides for a change in the conditions of safe use for the subject food additive, is nonrestrictive in nature and presents no points of controversy; therefore, notice of proposed rule making is an unnecessary prerequisite to this promulgation.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the FEDERAL REGISTER.

(Secs. 409, 701(a), 52 Stat. 1055, 72 Stat. 1785; 21 U.S.C. 348, 371(a))

Dated: July 13, 1967.

J. K. KIRK,
Associate Commissioner
for Compliance.

[F.R. Doc. 67-8482; Filed, July 20, 1967; 8:48 a.m.]

PART 121—FOOD ADDITIVES
Subpart D—Food Additives Permitted in Food for Human Consumption

ION-EXCHANGE RESINS

The Commissioner of Food and Drugs, having evaluated the data in a petition (FAP 7A2105) filed by Dow Chemical Co., Biochemical Research Laboratory, 1803 Building, Midland, Mich. 48640, and other relevant material, has concluded that the food additive regulations should be amended to provide for the safe use of cross-linked epichlorohydrin ammonia resin in the purification of foods, including potable water. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)) and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.120), § 121.1148(a) is amended by adding thereto a new subparagraph, as follows:

§ 121.1148 Ion-exchange resins.

- (a) * * *

(14) Epichlorohydrin cross-linked with ammonia.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1))

Dated: July 13, 1967.

J. K. KIRK,
Associate Commissioner
for Compliance.

[F.R. Doc. 67-8483; Filed, July 20, 1967; 8:48 a.m.]

PART 121—FOOD ADDITIVES
Subpart D—Food Additives Permitted in Food for Human Consumption

ODORLESS LIGHT PETROLEUM HYDROCARBONS

The Commissioner of Food and Drugs, having evaluated the data in a petition (FAP 7A2176) filed by American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y. 10020, and other relevant material, has concluded that the food additive regulations should be amended to provide for the safe use of odorless light petroleum hydrocarbons as a protective coating for shell eggs. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)) and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.120), § 121.1182(c) is amended by alphabetically inserting in the table a new item, as follows:

§ 121.1182 Odorless light petroleum hydrocarbons.

- (c) * * *

Use	Limitations
As a coating on shell eggs.	In an amount not to exceed good manufacturing practice.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1))

Dated: July 13, 1967.

J. K. KIRK,
Associate Commissioner
for Compliance.

[F.R. Doc. 67-8484; Filed, July 20, 1967; 8:48 a.m.]

RULES AND REGULATIONS

Title 45—PUBLIC WELFARE

Chapter VIII—Civil Service
CommissionPART 801—VOTING RIGHTS
PROGRAM

Appendix A; Mississippi

Appendix A to Part 801 is amended as set out below to show, under the heading "Dates, Times, and Places for Filing," two additional places for filing in Mississippi:

MISSISSIPPI

County; Place for filing; Beginning date.

Clay; (1) West Point—Post Office Building; October 1, 1965; (2) Pheba—rear of Champion Grocery Store; July 21, 1967.

De Soto; (1) Walls—U.S. Post Office; November 8, 1965, through January 4, 1966; (2) Hernando—U.S. Post Office; January 5, 1966; (3) Olive Branch—second floor above Post Office; July 22, 1967.

(Secs. 7 and 9 of the Voting Rights Act of 1965; P.L. 89-110)

UNITED STATES CIVIL SERVICE
COMMISSION,

[SEAL] JAMES C. SPRY,

*Executive Assistant to
the Commissioners.*

[P.R. Doc. 67-8517; Filed, July 20, 1967;
10:17 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[7 CFR Part 1103]

[Docket No. AO-346-A3]

MILK IN MISSISSIPPI MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Jackson, Miss., on September 13, 1966, pursuant to notice thereof issued on August 18, 1966 (31 F.R. 11153).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Administrator, Regulatory Programs, on May 12, 1967 (32 F.R. 7338; F.R. Doc. 67-5508) filed with the Hearing Clerk, U.S. Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The material issues, findings and conclusions, rulings, and general findings of the recommended decision (32 F.R. 7338; F.R. Doc. 67-5508) are hereby approved and adopted and are set forth in full herein subject to the following modifications:

1. Under Issue No. 2, Diversion provisions, the first and last paragraphs are revised and four new paragraphs are added.

2. Under Issue No. 4, Classification of transfers from pool plants to nonpool plants, the first and last paragraphs are revised and a new paragraph is added.

The material issues on the record of the hearing relate to:

1. Qualifying standards for pool plants.

2. Diversion provisions and producer status of new dairy farmers entering the market.

3. Inventory classification.

4. Classification of transfers from pool plants to nonpool plants.

5. An appropriate Class I price level after October 1966.

6. Location differentials.

A decision concerning Issue 5 was issued October 28, 1966 (31 F.R. 14081), and an order effective December 1, 1966, was issued November 10, 1966 (31 F.R. 14586). Findings and conclusions on the remaining issues are included herein.

Findings and conclusions. The following findings and conclusions on the material issues, 1 through 4, and 6, are

based on evidence presented at the hearing and the record thereof:

1. **Qualifying standards for pool plants.** The four proposals made concerning standards for pooling distributing and supply plants are dealt with in the following findings and conclusions designated as (a), (b), and (c) under this issue.

(a) The pool plant definition should be amended to include receipts of Grade A milk from other plants, as well as from dairy farmers, as the basis for determining pool plant qualification of a distributing plant.

This method of defining pool distributing plants will make their regulated status depend on Class I utilization of at least 50 percent of all qualified Grade A receipts rather than Class I utilization of the plant in relation to receipts only from producers' farms. With this modification the pool plant definition will have a more uniform application among distributing plants which have varying proportions of receipts direct from producers and from other plants.

Another effect of the definition change is that it will accord pool status to several distributing plants which handle only milk received from pool plants. The effect on these plants will be minor, if any, since all milk they now handle is presently regulated by virtue of being received as transfers from regulated plants. Occasionally such a plant may have overage which would be assigned a value as part of the handler's obligation if the plant is pooled. Most of the route disposition of each of the plants which would become a pool plant is within the marketing area.

There was no objection on the record to extending full regulation to these plants. The proposal for the amendment was made by a group of cooperative associations including one operating a plant to be regulated. Cooperative associations expressed concern that the plants in question with most of their sales in the marketing area are presently treated as partially regulated distributing plants. As partially regulated distributing plants there would be a possibility that they could use milk from unregulated sources without accounting for its use in sales outside the regulated area.

Plants presently regulated would be unaffected by this change.

(b) No change should be made in the definition of supply plant or cooperative standby plant.

Amendments to the pool supply plant provisions were proposed to allow credit for Class I shipments outside the market as part of the qualification for pool status, and to allow cooperative standby plants to qualify in some months on the basis of prior performance. Under the first proposal a supply plant could qualify if half of the required shipments were to

nonpool plants. With a total shipping requirement of 50 percent of the plant's receipts, as now provided in the order, the proposal would allow for shipment of up to 25 percent of receipts as Class I milk to nonpool plants to count toward qualification.

Under the second proposal, a cooperative association could maintain its plant in pool status during February through August if during each of the prior months of September through January 60 percent of the milk of its member producers had been delivered from farms to pool distributing plants.

One of the objectives of the proponents in this connection was to attain greater flexibility so as to take advantage of opportunities to make Class I sales outside the market. Such sales would be to the benefit of members, and of benefit to other producers if the sales were pooled.

Supply plant requirements, whether higher or lower than now in the order, must be related to the particular situation in the market. The essential purpose is to assure an adequate supply of milk for this fluid market. Once this objective is met, there is no restriction as to sales by the plant to other markets. But since sales outside the market are not a supply to the market, they cannot be used as a basis for qualifying a plant for pooling.

The record does not provide a basis to judge whether the percentage shipping requirement of pool supply plants or the monthly delivery requirements for a cooperative operating a standby plant should be modified. Since cooperatives operating standby plants normally have member milk moving to other handlers' pool plants each month, a performance requirement each month is a proper basis for qualifying such plants. Thus, to consider modification of requirements for cooperative standby plants would require evidence as to whether the present percentage requirement is too high or too low, and whether the percentage should vary seasonally.

(c) The pool distributing plant definition should not be amended to qualify distributing plants on the basis of a daily average of 1,000 pounds of route disposition in the marketing area.

A proprietary handler complained that the present pooling standard, 7,000 pounds daily of route disposition in the marketing area, permits partially regulated distributing plants to expand their operations in the regulated territory. He claimed that this represents an undue advantage to unregulated plants, allowing them to expand their sales in the marketing area to the detriment of fully regulated handlers.

There are partially regulated plants at Tupelo, Miss., and Tuscaloosa, Ala., with sales extending into the northern

part of the marketing area. The proponent regulated handler indicated he encountered competition from these plants in route disposition and in milk procurement. These partially regulated handlers procure their supply outside of order sources. Other partially regulated plants with similar operations have sales areas in the southern part of the State. Total sales in the marketing area by such operators average less than 1 percent compared to Class I sales of regulated handlers.

The order affords certain alternatives to the operators of partially regulated distributing plants. One of these, based on what his obligation would be if fully regulated, requires payment into the producer-settlement fund of any excess of this amount over his payments made to Grade A dairy farmers. The other alternative is to make payments to the producer-settlement fund at the rate of the difference between the Class I price and the weighted average price on the quantity of route disposition in the marketing area less Class I milk the plant receives from pool plants.

These obligations placed upon partially regulated handlers reduce the advantage that they may have compared to regulated handlers. The provisions of the Mississippi order applicable to such handlers are similar to those used in most Federal orders.

Reducing the measure of sales in the marketing area to an average of 1,000 pounds daily would tend to bring about the full regulation of the plants now partially regulated which have their principal business outside the marketing area. The handler with a plant at Tupelo stated that his plant would become regulated on the basis of the 1.5 percent of his total route disposition which is in the marketing area. Data for other handlers similarly situated show that their route disposition in the marketing area is generally less than 2 percent of their total route disposition.

The sales in the marketing area by plants with milk supplies from nonorder sources thus is small relative to total sales of such handlers. Their sales in the area also represent a relatively minor portion of all marketing area sales.

The proposed change in the qualifying provision was opposed by producer associations supplying the market. They claimed that its adoption would result in regulation of plants not sufficiently identified with the market, and dissipate returns to producers by the addition of dairy farmers who do not constitute part of the regular market supply.

It is concluded that under current conditions the presence of some sales of nonorder milk in the market does not constitute sufficient threat to the stability of the market to require adoption of the proposal.

2. Diversion provisions. The order should be amended so that the diversion of producer milk to nonpool plants: (1) During the months of September through November will be limited to a quantity of milk not to exceed 30 percent of the producer milk physically received at pool plants; and (2) during the months of

December through August will be limited to the milk of dairy farmers who held producer status during each of the 2 immediately preceding months or delivered at least 10 days production during each of the 2 months or a dairy farmer who began delivery in the current December-August period on a farm pickup route on which all other farmers qualified for diversion under the preceding conditions.

The order now allows diversion of a producer's milk on any day during December through August, subject to the proviso that the dairy farmer was a producer under the order for the entire 2 preceding months. During the months of September through November the present limit is 15 percent of producer milk physically received at pool plants. In the case of diversion by a cooperative the limitation applies as a percentage of member milk delivered to pool plants. In the case of diversions by a proprietary handler it applies as a percent of non-member milk received at the handler's plant. An alternative provision on an individual producer basis allows diversion of 10 days of production.

Cooperative associations in the market proposed that the percentage limitation, as applied to diversions by cooperatives, should be increased to 30 percent. Proponent cooperatives are responsible for the marketing of most of the market's milk supply. This includes handling of reserve milk by diversion as well as directing the day-to-day supply to pool plants. Changes in the buying habits of consumers have resulted in changes of handlers' plant operations on certain days of the week. This has resulted in an increased volume of milk each weekend that must be moved to nonpool plants by handlers and cooperative associations for manufacturing purposes.

The efficient handling of the reserve supplies of milk under current marketing conditions requires greater flexibility than the order now provides. The proposal made by the cooperative associations to increase the amount of milk which may be diverted to 30 percent of producer milk received at pool plants should be adopted. The same percentage should apply in the case of diversion by proprietary handlers.

There is no percentage or quantity limit on diversions in the December through August period. Producers eligible for diversion, however, are only those who were producers for the entire 2 preceding months. Cooperative associations held that because additional flexibility in diversion is needed, the diversion privilege should apply to producers who held producer status 20 days in each of the 2 preceding months. While it is appropriate that a more flexible requirement be adopted, accounting for an individual farmer's producer status in terms of number of days may involve practical difficulties. For this reason the requirement is modified to apply in terms of days of delivery to pool plants. Delivery of 10 days' production in each of the prior 2 months as requested in producer exceptions should be sufficient to assure association with the market. The existing

provision of producer status in the entire 2 preceding months is retained as an alternative. The provisions so modified will also tend to accommodate the handling of the milk of any dairy farmer qualifying as a producer for the first time.

Exceptors requested that during the months of December through August the diversion privilege be applied only to the milk of dairy farms from which at least 10 days' milk production was delivered in each of the 2 immediately preceding months to pool plants. It was contended that such a requirement would not hamper the handling of the market's reserve supply but would more adequately meet present marketing conditions than the 8 day requirement of the recommended decision. The cooperative associations submitting exceptions handle most of the market's reserve supply. The requirement is reasonable as a method of assuring a producer's regular association with the market and should be adopted. The order provisions herein have been modified accordingly.

For the special case of a dairy farmer who began delivering milk during any of the months of December through August, diversion eligibility is provided. This provision was specifically requested so that if the farmer was on a farm pickup route with other dairy farmers having diversion eligibility, the milk could be handled economically.

The order now does not provide for diversions to an other order plant. Under most other orders such a diversion by a Mississippi order handler would not be recognized; milk from a dairy farmer received directly at an other order plant would be producer milk under the order regulating the plant. However, as exceptors pointed out, it is far more efficient to divert reserve milk from the farm to a New Orleans pool plant for manufacturing than to accomplish the same end by first receiving the milk at a Mississippi order pool plant for transfer to the second plant. Such diversion provision was suggested on the record specifically as a convenience in handling reserve milk when it could thus be economically moved to an other order plant with manufacturing facilities.

There is no economic reason under the present circumstances to exclude diversion to an other order plant for Class II use. It is accordingly provided herein that diversion may be made to an other order plant for Class II use only. Such diversion privilege would apply whenever the other order permits receipts of such milk without claiming it as producer milk.

3. Inventory classification. Fluid milk products on hand in packaged form at the end of the month should be classified as Class I milk. Fluid milk products on hand at the end of the month in bulk form should continue to be classified as Class II.

This change in the handling of packaged product inventory will improve the order accounting in several respects. Most of the month-end inventory of fluid milk products in packaged form will be used in the following month as Class I

disposition. The amendment, therefore, would eliminate reclassification of such inventories of packaged products in the subsequent month. Further, this method will provide a basis for including as inventory all of the packaged fluid milk products held by the handler at the end of the month, whether in his processing plant or at other locations such as distribution points. The amendment will, therefore, provide a method of pricing such fluid milk products in the month in which disposed of by the handler, whether from his plant or from distribution points.

In the long run, the proposed technique will affect neither handlers' costs nor producers' returns. In the first month in which it is effective, it will increase handlers' costs by the difference between the Class I and Class II prices on the volume of packaged fluid milk products previously classified as Class II ending inventory. This amounts merely to establishing a Class I value at an earlier date for such products which would be entirely or very substantially valued at the Class I price in the succeeding month under existing order provisions.

To insure that all handlers pay the current month's Class I price for producer milk disposed of during the month, it is provided that if the Class I milk price increases over the previous month, the handler will be charged the difference between the Class I milk price for the current month and the Class I milk price for the preceding month on the quantity of packaged fluid milk products carried over as inventory. If the Class I milk price decreases, the handler will receive a credit.

The allocation section of the order should be amended to provide that inventory of such packaged fluid milk products on hand at the beginning of the month be subtracted from Class I milk utilization immediately after the allocation of shrinkage and packaged fluid milk products from other orders, and before making the other assignments therein provided. Except in unusual circumstances, this would result in assignment of all packaged inventory to Class I.

In the first month the amendment becomes effective, however, inventories of packaged fluid milk products on hand at the beginning of the month should be allocated to any available Class II utilization of the plant during the month. This is done because such products would be classified as Class II ending inventory in the month prior to the effective date of the amendment.

Ending inventory of bulk fluid milk products should continue to be Class II. Carrying bulk product inventory at a Class II value is merely an accounting procedure, and does not increase or decrease returns to producers over other classification. Generally this method would be expected to result in a minimum of reclassification charges.

4. *Classification of transfers from pool plants to nonpool plants.* The order should be amended to provide that milk transferred from a nonpool plant, which only assembles milk for reshipment, to a

second nonpool plant may be classified in the same manner as milk transferred or diverted from a pool plant to a nonpool plant.

A proprietary handler who assembles small loads of milk at a nonpool receiving station for bulk movement to a second nonpool plant for manufacturing requested an amendment which would classify the milk as used in the second nonpool plant. In this case the first nonpool plant has holding tanks and cooling facilities, but does not otherwise process the milk. This type of handling is economical for assembling the milk of a number of producers located near the first plant for movement in large tank loads to the manufacturing plant.

The handler pointed out, however, that the order would classify the milk leaving the first nonpool plant as Class I, based on the form in which it leaves the plant. Thus the milk would be charged as Class I although its ultimate disposition is use for manufacturing in the second nonpool plant.

In this case the milk is not changed in form in the first nonpool plant, but is only assembled, cooled and reshipped. It is appropriate to allow the classification to depend on utilization in the second nonpool plant to which the milk is shipped, providing proper records are available at the second nonpool plant substantiating the class use.

The classification of transfers out of the first nonpool plant should be made in the same manner as under the provisions which now apply to transfers from a pool plant to a nonpool plant. In this case, applying the same provisions, the determination of classification would depend on total utilization at the second nonpool plant.

In exceptions the proponent stated that the order amendment in the recommended decision was too broad in that it would apply to shipments made by any type of nonpool plant. Exceptor indicated that the broader provisions would involve types of plants and milk handling not considered at the hearing.

Accordingly the provision is modified so as to apply only to milk transferred from a nonpool plant which has facilities only for receiving, assembling, or cooling.

6. *Location differentials.* The handler and producer location differentials should be changed to provide a single location adjustment of minus 16 cents per hundredweight in the two areas where minus adjustments of 10 and 26 cents now apply.

Producer cooperative associations requested that Class I and producer prices be at the same level throughout the entire marketing area, except in Harrison County where a 16-cent higher price would apply. Proponents asserted that the present differential pricing scheme is no longer necessary. They contended present location pricing tends to hinder the efficient movement of milk to locations where it is needed for Class I disposition.

The present location adjustment provisions were established at the inception

of the Mississippi milk order effective May 1, 1965. The basic Class I price was established at the Gulf Coast locations of Gulfport and Pascagoula, and prices for other locations were established at differentials below such basic price. At locations in central Mississippi, the Class I price is 10 cents under the Gulf Coast locations. Similarly, for the former Delta order area the price is 26 cents per hundredweight under the Gulf Coast locations. This, in effect, continues the same geographic pricing pattern as existed under the prior separate orders.

The farms of producers in the southern half of the present Delta pricing area are so situated as to make it economically possible to deliver milk to either Delta or Central zone plants. Formerly, under the separate orders, a difference in the blend prices of the two orders provided an incentive to deliver milk to plants under the order with the less ample supply. Under the single order for both Central and Delta areas this incentive no longer exists. During 1963, for instance, which was the last full year in which separate orders applied in the Central Mississippi and Delta areas, the Delta order uniform price averaged 11 cents higher than the Central Mississippi order price. This was due to a higher utilization in Class I in the Delta area although the Class I price in Central Mississippi averaged 17 cents per hundredweight higher than the Delta Class I price.¹

The present order, however, provides a uniform price 16 cents higher for delivery to a plant in the central zone than in the Delta area. For producers situated so as to be able to ship either way, there thus is incentive to ship to central zone plants rather than to Delta area plants. This has occurred without regard to need for milk supplies at the particular point of delivery and to the extent that some milk so delivered is returned to the Delta area.

The populated areas to be served within the marketing area are widely spread throughout the area. Slightly more than 40 percent of the total population of the Central and Delta areas is within the Delta area. Thus, the most economic delivery of milk to this portion of the market population is significant to an efficient marketing system.

Most of the milk for the market is produced within the marketing area. The heaviest concentration of the production is in the central portion of the area. Thus, for the purpose of meeting consumption requirements, there would not ordinarily be need to move considerable quantities of milk out of the Delta area into the Central area.

It is concluded that the present difference in prices between the Central and Delta areas is unnecessary and should be deleted.

The new location differential system, provided herein, is designed to produce the same average returns to producers

¹ Official notice is taken of published data for the Delta and Central Mississippi markets.

as under the existing system. This is accomplished by providing a location differential of minus 16 cents which will apply in the two areas where minus 10- and 26-cent differentials now apply.

One handler with plants at Grenada and Greenville objected to this change in the location pricing. He was concerned about the relationship of the Delta zone Class I price to the Class I price under the Memphis order. The action herein contemplated would increase the price at his plant locations 10 cents per hundredweight.

The nearest Memphis order plant is at Oxford, Miss. The Memphis Class I price adjusted to this location is 12 cents higher than at Memphis. During 1966 the Memphis Class I price at this location averaged \$6.08, which is identical with the Mississippi order 1966 Class I price in the Delta area if adjusted as proposed herein.²

Also, if plants located at Memphis disposed of milk in Grenada or Greenville, they would incur transportation cost on such a movement. The distance to Grenada is about 97 miles and to Greenville about 136 miles. The cost of moving milk from Memphis to these points, at 1.5 cents per hundredweight per 10 miles would be about 15 and 21 cents, respectively.

Such transportation cost added to the Memphis order Class I price would make a total cost per hundredweight delivered to Grenada or Greenville 3 cents and 9 cents more, respectively, than the Mississippi order price under the proposed amendment.

It is concluded that the location differential provisions recommended herein will not impair the competitive relationship between Memphis and Mississippi handlers located in the northern part of the marketing area.

The proponent cooperative associations further requested that for the purpose of calculating location adjustment credit, transfers between pool plants should be assigned to Class I disposition at the transferee plant which is in excess of the sum of 95 percent of receipts at such plant from producers and receipts from a cooperative association as a bulk tank handler, plus the pounds assigned as Class I to receipts from other order plants and unregulated supply plants. The cooperatives requested that such Class I assignment should be made first to transferor plants at which no location adjustment credit is applicable and then in sequence beginning with the plant at which the least location adjustment would apply.

Proponents stated that not all of the producer milk at a pool plant is physically available for Class I due to normal plant loss and route returns which receive a Class II utilization.

Under the present application of location differential provisions, direct receipts of producer milk at the transferee

plant are assigned to Class I before location adjustment is allowed on milk received as a transfer from other pool plants. The proposal to assign 95 percent rather than all of the direct receipts to Class I before allowing location adjustment on transfers recognizes that even under optimum management not all direct receipts could be used in Class I. In view of such circumstances the order should be amended to allow this increase in the amount of transferred milk on which transportation credit may apply.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at

variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled respectively, "Marketing Agreement Regulating the Handling of Milk in the Mississippi Marketing Area", and "Order Amending the Order Regulating the Handling of Milk in the Mississippi Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Determination of representative period. The month of April 1967 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order, as amended and as hereby proposed to be amended, regulating the handling of milk in the Mississippi marketing area, is approved or favored by producers, as defined under the terms of the order, as amended and as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Signed at Washington, D.C., on July 17, 1967.

ORVILLE L. FREEMAN,
Secretary.

Order Amending the Order Regulating the Handling of Milk in the Mississippi Marketing Area

§ 1103.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) **Findings upon the basis of the hearing record.** Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk

² This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

² Official notice is taken of Class I price announcements by the Market Administrator of orders No. 103 and 97 for the months of October 1966 through January 1967.

in the Mississippi marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Mississippi marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended and as hereby further amended, as follows:

The provisions of the proposed marketing agreement and order amending the order contained in the recommended decision issued by the Administrator, Regulatory Programs, on May 12, 1967, and published in the FEDERAL REGISTER on May 17, 1967 (32 F.R. 7338; F.R. Doc. 67-5508), shall be and are the terms and provisions of this order, and are set forth in full herein subject to the following revisions:

1. Under § 1103.15 paragraphs, (b), (c), (d) and (e) are revised.

2. Under § 1103.44, the introductory text and paragraphs (c) and (d) are revised.

1. Section 1103.11(a) is revised to read as follows:

§ 1103.11 Pool plant.

(a) A distributing plant, other than that of a producer-handler or one described in § 1103.61, from which during the month route disposition of fluid milk products is not less than 50 percent of its total receipts of Grade A milk and the volume so disposed of in the marketing area is at least 20 percent of the total route disposition of fluid milk products or a daily average during the month of 7,000 pounds, whichever is less;

2. In § 1103.15, paragraphs (b), (c), (d) and (e) are revised to read as follows:

§ 1103.15 Producer.

(b) Diverted to a nonpool plant(s) (except that diversion to an other order plant shall be limited to Class II use)

by the operator of a pool plant or by a cooperative association as a handler pursuant to § 1103.13(c) during any of the months of December through August; *Provided*, That this diversion privilege shall be applicable only to the milk of those dairy farmers whose milk was delivered for 10 days of production during each of the 2 immediately preceding months to pool plants, or who held producer status throughout the entire 2 immediately preceding months, or a dairy farmer who does not meet these qualifications but has made a delivery of milk to a pool plant during the current December-August period on a farm pickup route on which all other dairy farmers on such route have diversion eligibility on the basis of the preceding provisions of this paragraph; except that only for the purpose of determining eligibility for diversion during any month of December through August a dairy farmer who was in noncompliance with the Grade A requirements of a duly constituted health authority during any part of the 2 immediately preceding months shall be considered to have maintained producer status during the period of such noncompliance;

(c) Diverted to a nonpool plant(s) (except that diversion to an other order plant shall be limited to Class II use) for not more than 10 days' production during any month of September through November except that this paragraph shall not be applicable if: (1) In the case of a cooperative association all of the diversion of milk of member producers by such cooperative association during the month fall within the limits prescribed in paragraph (d) of this section, or (2) in the case of a pool handler (other than a cooperative association) diverting milk of nonmember producers, all of such diversions from such plant fall within the limits prescribed in paragraph (e) of this section;

(d) Diverted during any month of September through November to a nonpool plant(s) (except that diversion to an other order plant shall be limited to Class II use) as milk of a member of a cooperative association for the account of such association if the amount of milk so diverted does not exceed 30 percent of the volume of Grade A milk from all producer members of such cooperative association received at pool plants during such month; or

(e) Diverted during any month of September through November to a nonpool plant(s) (except that diversion to an other order plant shall be limited to Class II use) of a producer who is not a member of a cooperative association, for the account of a handler in his capacity as the operator of a pool plant from which the quantity of milk of nonmember producers so diverted does not exceed 30 percent of the total Grade A receipts of milk at such plant from nonmember producers.

3. Section 1103.30(a)(1)(iv) is revised to read as follows:

§ 1103.30 Reports of receipts and utilization.

(a) * * *

(1) * * *

(iv) Inventories of fluid milk products on hand at the beginning and end of the month, separately in bulk and in packaged form;

4. In § 1103.41, paragraphs (a) and (b)(4) are revised to read as follows:

§ 1103.41 Classes of utilization.

(a) *Class I milk.* Class I milk shall be all skim milk and butterfat.

(1) Disposed of in the form of fluid milk products, except those classified pursuant to paragraph (b)(2) and (3) of this section;

(2) In inventory of fluid milk products in packaged form on hand at the end of the month; and

(3) Not accounted for as Class II milk; and

(b) * * *

(4) Contained in inventories of bulk fluid milk products on hand at the end of the month;

5. In § 1103.44(c), the introductory text of subparagraph (3) of this paragraph and provision (a) of subdivision (iv) of subparagraph (3) of this paragraph are revised and a new subparagraph (4) is added as follows:

§ 1103.44 Transfers.

(c) * * *

(3) The skim milk and butterfat so transferred or diverted shall be classified on the basis of the following assignment of utilization at such nonpool plant in excess of receipts of packaged fluid milk products from all pool plants and other order plants.

(iv) * * *

(a) Determine the skim milk and butterfat, respectively, in Class II (as defined pursuant to § 1103.41(b)(1)) at such nonpool plant during the month, subject to the conditions of subparagraph (4) of this paragraph.

(4) Skim milk and butterfat disposed of from a nonpool plant, which has facilities only for receiving, assembling, or cooling milk, to a second nonpool plant (except to a producer-handler plant) located not more than 200 miles by the shortest hard-surfaced highway distance as determined by the market administrator from the nearest of the New State Capitol in Jackson or the County Courthouse in Columbus, Gulfport, or Meridian, Miss., shall be classified in the same manner as a transfer from a pool plant to a nonpool plant. The operator of the second nonpool plant shall maintain books and records which are adequate for verification of the Class II utilization claimed and are made

available to the market administrator upon request; and

5-a. In § 1103.44(d), the introductory text and subparagraphs (2) and (3) of this paragraph are revised as follows:

§ 1103.44 Transfers.

(d) As follows, if transferred or diverted (pursuant to § 1103.15), to an other order plant in excess of receipts from such plant in the same category as described in subparagraphs (1), (2), or (3) of this paragraph:

(2) If transferred or diverted in bulk form, classification shall be in the classes to which allocated as a fluid milk product under the other order (including allocation under the conditions set forth in subparagraph (3) of this paragraph);

(3) If the operators of both the transferor and the transferee plants so request in the reports of receipts and utilization filed with their respective market administrators, transfers or diversions in bulk form shall be classified as Class II to the extent of the Class II utilization (or comparable utilization under such other order) available for such assignment pursuant to the allocation provisions of the transferee order;

6. In § 1103.46(a), a new subparagraph (2-a) is added immediately following subparagraph (2) and subparagraph (5) is revised, all of which to read as follows:

§ 1103.46 Allocation of skim milk and butterfat classified.

(a) * * *

(2-a) Except for the first month this order amendment is effective, subtract from the remaining pounds of skim milk in Class I milk, the pounds of skim milk in inventory of fluid milk products in packaged form on hand at the beginning of the month;

(5) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in inventory of bulk fluid milk products (and for the first month this order amendment is effective, the pounds of fluid milk products in packaged form) on hand at the beginning of the month;

7. Section 1103.53 is revised to read as follows:

§ 1103.53 Location differential to handlers.

(a) For that milk which is received from producers at a pool plant or at such plant from a cooperative association as a handler pursuant to § 1103.13 (d) and classified as Class I milk or assigned Class I location adjustment credit pursuant to paragraph (b) of this section and for other source milk for which a location adjustment is applicable, the price specified in § 1103.51(a) shall be reduced at the following rates (where

mileage determinations are applicable these distances shall be determined by the market administrator by applying the shortest hard-surfaced highway distance open to commercial truck traffic):

Location:	Rate per hundredweight (cents)
(1) For milk received at a pool plant located in the Mississippi marketing area except that part in Harrison County	16.0
(2) For milk received at a pool plant located outside the marketing area, and:	
(i) More than 60 but not more than 160 miles from the courthouse in Gulfport, or Pascagoula, Miss., whichever is nearer	10.0
(ii) For each additional 10 miles or fraction thereof, an additional	1.5

(b) For purposes of calculating such adjustment, transfers between pool plants shall be assigned Class I disposition at the transferee plant, in excess of the sum of 95 percent of receipts at such plant from producers and receipts from a cooperative association in its capacity as a handler pursuant to § 1103.13 (d) and the pounds assigned as Class I to receipts from other order plants and unregulated supply plants, such assignment to be made first to transferor plants at which no location adjustment credit is applicable and then in sequence beginning with the plant at which the least location adjustment would apply.

8. In § 1103.70, a new paragraph (c-1) is added immediately following paragraph (c) to read as follows:

§ 1103.70 Computation of the net pool obligation of each pool handler.

(c-1) Add an amount determined by multiplying the difference between the Class I price for the preceding month, and the Class I price for the current month by the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 1103.46(a) (2-a) and the corresponding step of § 1103.46(b). If the Class I price for the current month is less than the Class I price for the preceding month, the result shall be a minus amount;

[F.R. Doc. 67-8466; Filed, July 20, 1967; 8:46 a.m.]

[7 CFR Part 1125]

[Docket No. AO 226-A18]

MILK IN PUGET SOUND, WASH., MARKETING AREA

Notice of Hearing on Proposed Amendments to Tentative Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby

given of a public hearing to be held at the Banquet Hall, Norway Center (Norelender Restaurant), 300 Third Avenue West, Seattle, Wash. 98119, on July 27, 1967, beginning at 9:30 a.m., local time, with respect to proposed amendments to the tentative marketing agreement and to the order, regulating the handling of milk in the Puget Sound, Wash., marketing area.

The public hearing is for the purpose of receiving evidence with respect to the economic marketing conditions which relate to the proposed amendments, hereinafter set forth, and any appropriate modification thereof, to the tentative marketing agreement and to the order.

The adoption of this proposal might result in the regulation of plants, heretofore not regulated, which dispose of fluid milk products containing vegetable fats and solids-not-fat derived from milk.

The proposed amendments, set forth below, have not received the approval of the Secretary of Agriculture.

Proposed by United Dairymen's Association, Cow Milk Producers Association and Elma Milk Producers Association:

Proposal No. 1. In § 1125.15 revise paragraph (a) to read as follows:

§ 1125.15 Fluid milk product.

(a) Milk, skim milk, skim milk drinks, buttermilk, flavored milk, flavored milk drinks, and fluid products containing solids-not-fat derived from milk and vegetable fats (including all such products reconstituted or fortified with additional nonfat milk solids);

Proposed by Dairy Division, Consumer and Marketing Service:

Proposal No. 2. Make such changes as may be necessary to make the entire marketing agreement and the order conform with any amendments thereto that may result from this hearing.

Copies of this notice of hearing and the order may be procured from the Market Administrator Nicholas L. Keyock, 16 West Harrison Street, Seattle, Wash. 98119, or from the Hearing Clerk, Room 112-A, Administration Building, U.S. Department of Agriculture, Washington, D.C. 20250, or may be there inspected.

Signed at Washington, D.C., on July 17, 1967.

CLARENCE H. GIRARD,
Deputy Administrator,
Regulatory Programs.

[F.R. Doc. 67-8467; Filed, July 20, 1967; 8:47 a.m.]

[7 CFR Part 1125]

[Docket No. AO 226-A14]

MILK IN PUGET SOUND, WASH., MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.),

and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Seattle, Wash., on August 23-27, 1966, pursuant to notice thereof issued on August 10, 1966 (31 F.R. 10847).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Regulatory Programs, Consumer and Marketing Service, on April 7, 1967 (32 F.R. 5838; F.R. Doc. 67-3986), filed with the Hearing Clerk, U.S. Department of Agriculture, his recommended decision containing notice of opportunity to file written exceptions thereto.

The material issues, findings and conclusions, rulings, and general findings of the recommended decision (32 F.R. 5838; F.R. Doc. 67-3986) are hereby approved, adopted and are set forth in full herein, subject to the following modifications:

1. Under issue No. 2 "Determination of Class I bases for producers" subtitle "(a) Determination of Class I base" is deleted.
2. Under subissue (1) "For existing producers", changes are made in the first, second, and fifth paragraphs, and four new paragraphs are added following the fifth paragraph.
3. Under subissue (2) "For 'new' producers", a new paragraph is added following the ninth paragraph.
4. Under issue No. 3 "Incorporation of producer-handlers in the Class I base plan", changes are made in the first, 11th and 12th paragraphs, paragraphs 13th through 17th are deleted, and five new paragraphs are substituted therefor.
5. Under issue 4(a) "Transfers", the eighth paragraph is deleted, and a new paragraph substituted therefor.
6. Under issue No. 4(b) "Forfeitures", the first paragraph and the subtitle "Failure to deliver" in the second paragraph are deleted.
7. Under issue No. 5, "Provisions for alleviation of hardship and inequity", changes are made in the seventh, ninth, 10th and 11th paragraphs.

The material issues on the record of the hearing relate to:

1. The adoption of a Class I base plan;
2. Determination of Class I bases for existing producers and new producers;
3. Incorporation of producer-handlers in the Class I Base Plan.
4. Base rules with respect to:
 - (a) Transfers,
 - (b) Forfeitures,
 - (c) Antidumping provisions,
 - (d) General rules.
5. Provision for hardship and inequities.
6. Payments on other source milk;
7. Miscellaneous provisions.
 - (a) Revision of excess milk location differential at District 1 pool plants; and
 - (b) Continuing provisions in event of lack of approval or expiration of authority.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. **The adoption of a Class I base plan.** Producers supplying plants regulated by

the Puget Sound order should be given opportunity to decide whether returns from the sale of their milk will be apportioned among producers through a Class I base plan.

Returns to Puget Sound producers have since the effective date of the order (1951) been distributed through a "seasonal" base plan. Under this plan each producer establishes a "base" by the average of his deliveries (120 days or more) during the months of August through December of each year. For the following 12 months beginning with February he is paid a base milk price for deliveries not in excess of his base and a lower (excess) price for deliveries in excess of his base. Producers entering the market without a base are paid the base milk price for a specified portion of their current deliveries (varied seasonally from 45 to 70 percent).

The proportion of base milk used in Class I has steadily declined from a high of 86.6 percent in 1952 to 49.1 percent in 1965. While the total volume of Class I use increased 25.7 percent from 1952 to 1965, deliveries of base milk increased 121.4 percent, almost five times as rapidly. An increasing proportion of the base milk delivered by producers has been used for manufactured dairy products and valued at the Class II price. As a consequence the price for base milk has steadily declined relative to the Class I price. In 1952, the base price averaged 23 cents per hundredweight less than the Class I price; in 1965 it averaged 88 cents less.

Producers claim that under the present system, a producer can only maintain his relative share of the higher priced Class I sales of the market by maintaining or increasing his base each year; that as a consequence a "race for base" has developed in which an individual producer must produce increasing quantities of milk for Class II use in order to protect his share of income from Class I milk.

Amendments to the Agricultural Marketing Agreement Act by Public Law 89-321 (Food and Agriculture Act of 1965), effective only through December 1969, are designed to remove the necessity for dairymen to produce surplus milk in order to preserve their individual participation in the markets for milk for fluid consumption. Under these amendments, base forming periods need not be limited to 1 year, marketings during such periods may be adjusted to reflect sales in any use classification or classifications, and producers holding bases so adjusted will not have their history of production and marketing adversely affected for the computation of future bases if they reduce their production. Incorporation of these provisions in an order must be separately approved by producers in a referendum in which each individual producer shall have one vote. Disapproval of such order provisions does not affect other terms of the order.

Producers in the Puget Sound market formed a Class I base plan committee which developed proposed provisions designed to operate under the new authority. The committee was composed of representatives of cooperative associa-

tions, general farm organizations and nonmember producers. In developing its proposal it held producer meetings to determine producer sentiment concerning the plan generally and specific provisions to be included in it. Detailed findings concerning the principal elements of this proposal are contained elsewhere in the decision. We are here concerned only with whether or not any such provisions should be adopted for the Puget Sound order if approved by producers in accordance with the terms of the statute. A statutory objective of the authority for use of Class I base plan is that such a plan "seeks to reduce surplus milk production and stabilize the income of dairy farmers in * * * Federal milk order areas by removing the necessity for dairymen to produce surplus milk in order to preserve their individual participation in the markets for milk for fluid consumption" (Conference Report No. 1123, on Food and Agriculture Act of 1965, Oct. 6, 1965).

The substantial quantity of producer milk in excess of the Class I needs of the Puget Sound market appears to be the type of situation which Congress believed could be remedied by effectuation of a Class I Base Plan. Under it each producer is given a more definite basis for making a choice as to whether he will produce milk that he knows will return him the Class II or manufacturing milk price. There was conflicting testimony in the record concerning the need for substantial surplus in the market before use of a Class I base plan could be authorized. The question of authority need not be determined, however, to find that the plan can be expected to have the greatest effect in markets with substantial surplus such as now prevails in the Puget Sound market.

It is concluded that the plan hereinafter set forth should be submitted to Puget Sound producers for their approval.

2. Determination of Class I bases for producers. For purposes of this decision "production history base" means a daily quantity of milk delivered by a producer during a representative period which is used as such producer's production history; "Class I base" means a production history base modified in relation to Class I sales in the market so as to represent the producer's daily share of the Class I market plus appropriate reserves. It represents the maximum daily quantity of milk for which the producer may receive the base milk price.

(1) **For existing producers.** Each producer who delivered milk 120 days or more during August-December 1966 will have a production history base computed at the highest of such producer's daily average production in each of the August-December periods of 1964, 1965, or 1966 during which the producer delivered producer milk under the order on 120 days or more.

The production history bases so established for producers delivering milk in May 1967 shall be adjusted uniformly so that their total will equal 120 percent of the average daily Class I disposition of pool milk by regulated handlers during

the calendar year 1966. Deliveries within the Class I bases so computed will be those for which existing producers may receive a base price; deliveries in excess thereof (in daily average per month) will be paid for at the excess milk price.

Neither the production history base nor the Class I base should be subject to adjustment for either changes in production of the producer or for changes in the volume of Class I sales of the market.

The Puget Sound Class I Base Plan Committee proposed in the notice of hearing, and advocated at the hearing, a plan wherein production history bases and Class I bases of existing producers would be determined from the higher of such producers' bases effective February 1, 1965, or February 1, 1966, adjusted to equal 1965 daily average Class I sales for the market. This plan was developed early in 1966 with expectation that order amendment might be possible before new bases were formed in August-December 1966, or 1966 daily average Class I sales were available for use. Under this proposal, production history bases would be frozen at the level first determined; "Class I bases", however, would be adjusted annually to the level of the daily average Class I sales of the preceding year. In making this adjustment it was proposed to include in the computation production history bases for "new" producers based on their deliveries of milk in August-December periods different from those used to establish the production history bases of existing producers.

The August-December periods from which production history bases will be computed are the periods of each year under which producers establish annual bases under present order provisions. They are accepted in the market as the period of year that may be considered representative of a producer's production capacity. Use of the highest average daily delivery of the August-December periods of 1964, 1965, or 1966 will eliminate many claims for hardship based upon events of a single year. Use of the 1966 August-December period will avoid necessity for special provisions for producers of "factory milk" forced to convert to Grade A production without opportunity to make deliveries in either August-December 1964 or 1965. In each of the past 2 years 45 or 46 new producers have entered the market. Since September 1965, the last month in which a new producer could have entered the market and have been issued a base effective February 1966, 27 new producers had entered the market through June 1966. Use of the 1966 August-December period will provide the maximum number of existing producers with opportunity to have production history bases determined at their average daily deliveries in an August-December period. The requirement that a producer shall have delivered 120 days or more in this period of 1966 and be delivering in May 1967 will restrict issuance of Class I bases to producers with recent production history who are currently serving the market.

On the basis of numerous exceptions received from individual producers, as well as those received from the Class I Base Plan Committee, the provisions proposed in the recommended decision have been modified to recognize the position of producers who are now producing milk on farms from which milk was delivered by another person in August-December 1966 and who are delivering their milk under the current seasonal base transferred from the former producer as a base transfer under the present order. As modified, the producer currently supplying the market under these conditions will have the production history base made on the farm in 1966 available for computation of his Class I base and no Class I base will be computed for the former producer.

Another minor variation will recognize that the production history made as a producer-handler by a person who has since become a producer should be used in computation of his Class I base.

The month of May 1967, rather than the month preceding effective date of the plan, is specified as the required period of current delivery to determine the procedures who will have Class I bases computed from their production history. This permits each producer to know his Class I base before any deliveries are made under it.

In practice the daily Class I base is translated into a monthly limit on the amount of a producer's deliveries that may be paid for at the base milk price. In the recommended decision it was proposed that this be done by use of the number of days of production delivered by each producer. It is concluded that this method should apply to only those producers delivering milk for part of a month. For all other producers, base milk should be the quantity delivered that does not exceed his Class I base multiplied by the number of days of the month. The comparison of Class I sales with those of 1966 is made for the number of days of the month. The revised method will greatly simplify the necessary pool computations without affecting a producer's returns over a period of months.

It is concluded elsewhere in this decision that producers without a history of production on the market as of the effective date of the Class I base plan shall participate in the benefits of Class I sales of the market only as there are increased Class I sales. Since the statute authorizing a Class I base plan provides that any increase in Class I sales should first be assigned to such producers (and to the alleviation of hardship and inequity among producers) any such increase must be reserved for this purpose and accordingly is not available for assignment to existing producers as proposed by the committee. Existing producers will, however, benefit through an increase in their base and excess price from any increase in Class I sales greater than that needed to satisfy the prior claims of new producers and hardship cases. While it would be feasible to adjust the Class I bases of existing producers for any decrease in sales, this

is not considered necessary for the limited period for which the Class I base plans are authorized.

The principal controversy at the hearing with respect to computations of Class I bases was with reference to the inclusion of a reserve of 20 percent over the daily average Class I sales volume. A number of individual producers wanted Class I bases established without any reserve so that the base price would be the Class I price unless there was a decrease in sales. There are fluctuations in both supplies and sales, so that if bases contained no provision for reserve there inevitably would be days in which excess milk would have to be used for Class I purposes. If Class I base holders are to be given the prior claim provided herein on Class I sales assigned to producer milk, they should be expected to deliver milk in accordance with the daily needs of the market for Class I use. The only way this can be encouraged is by the inclusion of some reasonable reserve in adjusting bases to Class I sales. The 20 percent proposed is a reasonable amount for this purpose. The provisions for prior assignment of actual Class I sales are such as to make allowance for the reserve so included, so that it does not interfere with assignment of any sales increases to new producers and hardship cases.

The "freezing" of the history of production of each existing producer, and the Class I base computed from such history and 1966 average Class I sales of the market provides little opportunity for such producers to further adjust their production to changing needs of the market. Producers proposed that history of production should be frozen at a level determined by deliveries prior to the effective date of a Class I base plan. The elimination of the periodic adjustment to Class I sales is apparently required in providing prior claims to any increased sales for "new" producers who would thus never have an opportunity to develop a history of deliveries in a representative period the same as that used for existing producers and for "hardship cases." In view of the limited period for which the plan may be effective under present legislative authority, it is concluded that rigidities involved in the frozen production history and "Class I" bases will not be so serious as to require the plan to contain opportunity for existing producers to have both production history bases and Class I bases redetermined periodically, subject to the statutory provision that reduction of deliveries would not adversely affect the history of production used for computing such future bases.

In addition to producers supplying plants presently regulated, provision should be made for computing bases for dairymen supplying a plant that hereafter becomes a pool plant fully regulated by the order, if they delivered Grade A milk to such plant in the August-December period in 1966.

If a plant has regularly received Grade A milk from dairy farms without regulation of the Puget Sound order, it has evidently done so to supply Class I outlets

outside the marketing area. To achieve pool plant status such a plant must now dispose of specified percentages of its Grade A receipts on routes in the marketing area or to other pool plants. It is to be expected that when such a plant becomes a pool plant, it will add Class I sales to the pool proportionate to its receipts of Grade A milk in prior periods when it operated as a nonpool plant.

It is appropriate therefore that those dairymen who supplied Grade A milk to such plant in the periods which determine the production history bases of existing producers should have production history bases computed from such deliveries if they are supplying the plant when it becomes a pool plant. The production history bases so computed should be adjusted to Class I base by the percentage used in adjusting the production history bases of existing producers.

The proponents proposed that this procedure be applicable only if the plant became a pool plant by amendment of the order. For the reasons stated above it should apply whenever a plant not now regulated becomes a pool plant.

(2) For "new" producers. A producer who did not deliver milk for at least 120 days in August-December of 1966, or who begins deliveries of milk after the effective date of the Class I base provisions (a "new" producer) will not establish either a production history base or a Class I base. Instead such a producer will share in Class I sales of the market only if such sales during the month exceed those of the comparable month of 1966. The extent to which any such "new" producer may share with other such producers in any increased Class I sales will be determined by his deliveries during the current month and the amount of increased Class I sales in comparison with total new producer deliveries and adjustment to existing producers to alleviate hardship.

The Puget Sound Class I Base Plan Committee proposed that producers for whom production history bases and Class I bases could not be computed as for existing producers should develop a base history by their deliveries in four successive August-December periods. Until the February following 120 days deliveries in each of two such periods, they proposed that the producer be paid on a portion of his current month's deliveries equal to one-fourth of the percentage used in adjusting daily bases of existing producers. Thereafter, the "new" producer would have a daily base in successive years, equal to 50, 75, and 100 percent of his average daily deliveries in these base-making periods.

The production history bases so established for new producers as of February 1 of each year would have first been adjusted by the percentage applied to such bases of existing producers the preceding year. The total of Class I bases would then have been adjusted to 120 percent of daily average Class I utilization in the preceding year, if such total varied from such utilization by more than 1 percent. By treating the bases (or partial bases) established for new producers equally with old producers, in-

creases in Class I utilization from the preceding year would first be assigned to such bases before any assignment to bases of existing producers; new producers would receive Class I bases determined from their bases or partial bases the same as old producers whether or not any increase in Class I utilization had occurred.

The principal testimony in opposition to the proposals for new producers related to the period of time required for a new producer to establish a "100 percent" base, and the opportunity for a new producer to establish any base higher than the 1,450 pound present average base of existing producers. Some witnesses thought the provisions required to establish 100 percent base too restrictive, and other witnesses believed new producers should be limited to bases no higher than the average of old producers.

It is extremely doubtful, however, if the 1965 amendments to the Act provide for the diverse representative periods for establishing production history presented by the proposals of the Base Plan Committee for existing producers and for new producers to be used at the same time for apportioning the value of milk among producers. The Act apparently provides that, as of any given time, only a single representative period should apply.

The proposal that the only representative period to be used for existing producers be prior to the effective date of the plan means that producers entering the market thereafter can have no history of production in the same period as other producers and thus cannot develop bases. Proponents' testimony at the hearing recognizes the desirability of provisions whereby producers entering the market after adoption of the plan should have opportunity to establish bases on the market determined from their demonstrated ability to supply the market, as contained in their proposals. When, however, the question arose that this might possibly be accomplished only through some modification of their proposals with respect to producers presently supplying the market, the proponents insisted that bases of existing producers remain frozen at the preexisting level. They feared that if existing producers had opportunity to increase their production history, a new production race might result even though each such producer could under the statute maintain his prior history without producing milk at the excess price.

It appears that the only provisions that can be made for producers without base history prior to institution of the plan without also changing provisions for existing producer base contrary to the expressed wishes of the proponents is through the prior assignment of increased sales and forfeited bases. The Act provides that "any increase in class one base resulting from enlarged or increased consumption and any class one base forfeited or surrendered shall first be made available to new producers . . .". A reasonable conclusion is that a new producer is one without a history of production in a representative

period provided in the order for which deliveries of producers generally are used in computation of bases. If such most recent period is one prior to adoption of the plan, producers entering the market subsequently will remain new producers so long as the plan is in effect. Under such a provision, such producers will not have any bases representing an assigned share of Class I utilization of the market so long as the plan is in operation.

Under this system the average price realized by new producers (and likewise by existing producers for milk for which "hardship adjustments" may apply) will depend each month entirely upon (1) the extent to which Class I sales increase and (2) the volumes of milk delivered by such producers. Unless Class I sales increases are fairly substantial, there will be opportunity for relatively few new producers to have returns equal to those they might expect under the committee proposal; on the other hand, substantial Class I sales increases might provide opportunity for more new producers to receive returns equal to or greater than under the committee proposal. The relative returns to new producers will be influenced to a much greater degree by the volume of deliveries of all new producers as well as by the extent of Class I sales increase, than would have been the case under the committee proposal. It is of course impossible to predict the course of either of these variables.

A comparison of Class I sales each month with those of the corresponding month of 1966 will provide a reliable means of prompt identification of increased Class I sales which may be assigned to new producers and hardship adjustment that month. Daily average sales in the calendar year 1966 are used in computing the Class I bases of existing producers. A month-to-month comparison will, however, reflect more accurately increases in Class I sales without distortion through the normal seasonal pattern of sales.

In view of the fact that Class I bases will not be computed for producer-handlers, the 1966 sales used in this comparison will include only those of producer-handlers for whom a Class I base as a producer has been computed and is in effect. The 1966 Class I sales of any plants which later become pool plants will also be included since Class I bases will be computed for those producers now delivering milk to such plants on the basis of past deliveries to such plants.

The increased sales, if any, determined from this comparison should be converted to a total quantity of milk for which the new producers involved may be paid the same price as other producers are paid for their base milk. This is a price to which location adjustments set forth in the order may be applied. Because 1966 daily average sales were increased by 20 percent in determining Class I bases of existing producers, any amount by which the current month sales exceed those of the same month of 1966 should be increased by the same factor. Forfeiture or surrender of Class I base may be measured on a monthly basis by comparison of the total of Class I bases

converted to a monthly total with the actual deliveries of base milk by producers with Class I bases.

The total of the quantities computed for increased sales and bases forfeited or surrendered represents base milk (monthly quantity) for which new producers (and hardship adjustment) may be paid at the same base price as existing producers are paid. This quantity should be prorated among new producers and producers receiving hardship adjustments on the basis of the monthly deliveries of new producers, and deliveries in excess of base milk which are within the adjustment provided for hardship cases.

Any sales not assignable to new producers under these provisions will serve to increase the base milk price up to, but not to exceed, the Class I price. Any values in addition will accrue to the excess milk price. Such provisions are now in the order under the present base plan and will appropriately distribute the values involved.

3. *Incorporation of producer-handlers in the Class I base plan.* Producer-handlers should not have Class I bases computed for them. No change should be made in the provisions applicable to producer-handlers on the basis of this record, other than to provide means for computation of Class I base in the event a producer-handler subsequently becomes a producer, and forfeiture of Class I base in the event a producer subsequently becomes a producer-handler.

Producer-handlers, who process and distribute in the marketing area milk of their own production, are exempt from payment provisions of the order. As a condition for such exemption, control of production, processing and distribution facilities, and limitation of sources of milk not of own production are required to maintain producer-handler status for those whose disposition exceeds 110 pounds daily average.

It was proposed that the producer-handler exemption be deleted for all such persons with daily average disposition of more than 110 pounds daily, but that persons now holding producer-handler designation be given preferential treatment in the computation of Class I bases. The proposal would result in the Class I base of each producer-handler equaling his 1965 daily average Class I disposition of milk of his own production. As a group, the Class I bases of producer-handlers under this proposal would approximate 85 percent of their history of production as compared with approximately 53 percent for producers.

Counsel for an association of Puget Sound producer-handlers moved to exclude from the hearing any consideration that would relate to a change in the status of producer-handlers under the order. It was contended that section 104 of the Food and Agriculture Act of 1965 (Public Law 89-321) precluded any such change. Section 104 states that "The legal status of producer-handlers of milk under the provisions of the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, shall be the same subsequent to

the adoption of the amendments made by this title as it was prior thereto." Section 104 did not purport to change the previous law but merely reaffirmed it. The language is specifically directed to reaffirming legal status under the statute, rather than under the provisions of any order that has been issued under authority of the statute. The Congress rejected an amendment which would have specifically denied authority for regulation of producer-handlers. Thus, producer-handlers who were potentially subject to regulation under the statute prior to the 1965 amendment remain potentially subject to regulation thereafter. The motion to exclude from the hearing consideration of regulation of producer-handlers is therefore denied.

Producer-handlers have each year since 1962 distributed 5 percent or more of the total Class I sales within the Puget Sound marketing area. In 1962 producer-handler disposition was 5 percent of the total; this percentage increased each year through 1965 when it was 7.55 percent. For the first 6 months of 1966 producer-handlers distributed 7.02 percent of all Class I milk disposed of in the marketing area.

The production of producer-handlers has been a substantially smaller percentage of total production than the relationship of their sales to total sales. For 1965 their production was 3.83 percent of the total and for the first 6 months of 1966 it was 3.69. Producer-handlers disposed of about 85 percent of their production as Class I milk in 1965. This percentage has ranged from 83 to 87 percent since 1960. Meanwhile, 43.9 percent of the milk delivered by producers to regulated handlers was classified as Class I in 1965, and this percentage had declined each year since 1960 when it was 50.77.

The number of producer-handlers increased from about 22 in 1959 and 1960 to 43 in 1965, but dropped to 38 in early 1966. In July 1966 there were 39 producer-handlers operating in the market.

Proponents of regulation contended that producer-handler sales were currently a more disruptive factor than in 1965 even though a slightly smaller percentage of total sales in the market than formerly. Most producer-handlers had made no change in resale prices of their milk at a time in which the Class I prices paid by regulated handlers had increased. While the order Class I price increased 83 cents per hundredweight from \$4.87 in April 1965 to \$5.70 in August 1966, the actual increase to handlers was 50 cents per hundredweight due to elimination of premium pricing (except for a 10-cent service charge) in the market as order prices advanced.

It was also claimed that an increase from 1964 to 1965 in the amount that the order Class I prices exceeded the uniform price for base milk represented an increase in competitive advantage of producer-handler milk over milk priced and pooled under the order. For 1964 this difference was 83 cents, for 1965, 88 cents. For July 1966, however, the difference was only 76 cents. The decrease for July may be attributed to increased Class

I sales of pool milk and to change in the Class II price of the order through amendment.

Basically, however, the proponents maintain that incorporation of producer-handlers in the Class I base plan of the order is a necessary complement of such a plan. Producers maintain that if each producer is to have his returns for Class I milk limited to what is essentially his present share of the market, each producer-handler should likewise be limited to the Class I sales that he has made of his own production as his share of the market. They claim that their proposal represents a means whereby producer-handlers may each retain the benefits of their present (1965 average in their proposal) sales, but would not be permitted to increase Class I sales of their own production without recompense to the pool.

It is estimated that the Class I base of existing producers may approximate 53 percent of their 1965 bases under present provisions. These Class I bases will not be subject to adjustment for either future production history or changes in Class I sales of the market. Not all present producers will find their Class I bases equal to their production resources. If present producer-handlers, representing about 2 percent of the total dairymen supplying the market, are free to increase their production and Class I sales, some present producers may seek to become producer-handlers.

In addition, no provision is made for computing Class I bases for new producers. Such producers must either acquire Class I base from existing producers, or depend upon sharing any increase in Class I sales with other new producers and existing producers qualifying for "hardship" adjustment. If new producer-handlers may enter the market without limit beyond the Class I sales they may make of their own production, this avenue may be used by dairymen as a means for entering the Puget Sound market.

In the recommended decision, it was proposed that Class I bases should be issued producer-handlers so that these incentives would not create a situation whereby producer-handler sales would disrupt the operations of the order to the detriment of other dairymen in the Puget Sound market.

It is clear that such potential incentives to increasing producer-handler operations are associated with the other provisions herein provided. However, as cited above, producer-handler numbers and the proportion of the total sales of the market represented by their Class I sales were less in the first 6 months of 1966, the latest period available in the record, than for the same period of 1965. Since the regulation proposed in the recommended decision was based upon the potential disruption to be expected under these incentives, rather than the volume of producer-handler sales shown on the record of hearing, it is concluded that no action should be taken to incorporate producer-handlers into the Class I base plan on the record of this hearing.

However, the position of producer-handlers in this market, both singly and in the aggregate, is especially significant in relation to the total Class I sales of the market. In such circumstances, the orderly marketing of milk in the area is particularly susceptible of being affected by producer-handler activities and any increase in producer-handler sales could substantially disrupt orderly marketing and the operation of the order to the detriment of other producers in the market. If, therefore, for any reason producer-handler activity in the market, singly or in the aggregate, increases, a public hearing should be held to give immediate consideration to the regulation of producer-handlers under the order.

Producer-handlers may become producers subsequent to the effective date of the Class I base plan, either through choices or by cancellations of designation. Class I bases should be computed for such producers on the basis of their production history in the same periods provided for producers, and by application of the same percentage used in computation of Class I bases for producers. This treatment of producer-handlers who become producers as though they had been producers in the representative period conforms to the present practice under the seasonal base plan. Since these producers, especially those for whom producer-handler designations have been canceled, may again become producer-handlers, provision must be made that such producer-handlers do not receive a windfall by having a Class I base so computed for them available for transfer and simultaneously have exemption as producer-handlers. It is therefore provided that bases so computed shall not be transferable in whole or in part for a period of 2 years after the baseholder last held designation as a producer-handler, except as such bases are transferred to a member of the baseholder's immediate family who continues delivery of producer milk from the same farm.

Provision should also be made to prevent similar windfalls for other producers who may later become producer-handlers. A person who has held Class I base within 12 months of the date upon which he becomes a producer-handler should receive designation as such only if he forfeits Class I base in an amount equal to the highest amount held at any time during such 12-month period. This forfeiture should also be required if producer-handler designation is to be issued to any member of such a producer's family, any affiliate of such a producer, or any business unit of which such a producer is a part. This is necessary in order to avoid windfall benefits through subterfuge.

The exemption provided for producer-handlers should not apply to the own-farm production or sales of handlers operating pool plants. One such handler with substantial own-farm production proposed that such production history should receive the same treatment as the production of producer-handlers. Own-farm production of handlers fully regu-

lated, shares the market equally with other producers and should retain this position.

4. *Base rules.* It is necessary that the order specify conditions under which bases may be transferred from one producer to another, under which bases will be forfeited, and other conditions required for administration of the Class I base program.

(a) *Transfers.* Class I bases should be transferable in whole and partially in amounts of not less than 100 pounds under conditions that will insure that such bases will be held at all times by bona fide producers. Such transferability will be in the best interest of the public, existing producers and prospective new producers.

The Base Plan Committee proposed that base be transferable only to persons who were producers or become producers within the month of transfer, in minimum amounts of 100 pounds daily (production history) base (unless transferor's daily base was less than 100 pounds). They proposed that producers who had received base by transfer within 1 year be barred from making a further transfer except as they qualify under specified hardship conditions. Producers acquiring base under hardship provisions and new producers would have been ineligible to transfer base for a period of 2 years after it was acquired; new producers could no longer increase their base through deliveries if they acquired base by transfer. Written notice to the market administrator would be required with data sufficient to determine the bona fide nature of the transfer under the limitations proposed.

Proponents maintain that failure to provide relatively free transfer of base would tend to obstruct and delay changes toward more efficient organization of dairy farms and more economical production of milk. They point out that a phenomenal period of production adjustment is now occurring in which the size of production unit is a basic consideration in adopting new techniques for greater efficiency, and that this situation may be expected to continue. They claim that this situation makes transferability of bases in the interest of the public to provide opportunities for more economical production of milk; in the interest of existing producers because of their immediate concern in adjustment of size of production units, and as a means whereby retirement of marginal producers and expansion of others to more efficient units might be facilitated. The opportunity for new producers to acquire base by transfer instead of by earning it over a period of time as they proposed, was represented as an alternative accommodation to those who may wish to produce only base milk from the start.

The obstructions and delays to economic changes which base transfers might alleviate arise because producer bases are fixed on past history that cannot be changed to accommodate changes needed for more efficient operation. The more difficult it is for existing producers to change production history, or

for new producers to establish such history, the greater the difficulty in responding to opportunities for change in size of production units to achieve efficiency.

Transferable bases may become an asset of value, which could be a windfall to existing producers who may wish to decrease production or cease entirely. Likewise the cost of acquiring base by transfer could become a capital cost to producers, either old or new, receiving it, which would tend to offset the economies in production that might result from change in size of production unit.

Despite these considerations, it is concluded that, in association with a Class I base plan such as herein provided, transferability of bases will be in the best interest of the public, existing producers and prospective producers. Under the plan provided existing producer Class I bases are frozen at the levels first computed, and no new producer Class I bases can be computed from future deliveries of milk to the market. There is thus substantial need for another method whereby adjustment of size of production units may be facilitated.

The proposals of the Base Plan Committee with respect to transfers of bases computed for existing producers provide safeguards to insure that bases will be held by bona fide producers. Transfers may be made only to a person who currently is a producer or who becomes a producer within the month of transfer. Producers who have received base by transfer are not eligible to make further transfers within a 12-month period except under circumstances which a Base Committee finds would otherwise result in substantial hardship to such producer. Producers who are issued hardship adjustment because deliveries in the base period were not representative may not transfer base for a 2-year period.

Bases computed for producers from their past deliveries to a nonpool plant which has subsequently become a pool plant should not be transferable in whole or in part for a period of 2 years after issuance except to a member of a base holder's immediate family continuing production on the same farm. This is necessary so that if such plant should lose its pool status the bases provided to accommodate entrance of these producers to the market will not become a windfall to them.

The Base Plan Committee had proposed that both production history base and Class I base be transferred. Under the plan herein provided production history base serves only for computation of the Class I base which is not thereafter recomputed. Transfer of production history base would serve no purpose under these provisions. It is provided that the producer transferring Class I base shall have his production history reduced in an equivalent amount.

(b) *Forfeitures.* It should be provided that a base holder who discontinues delivery of producer milk for a period of 60 consecutive days shall forfeit Class I base. An exception should be

provided with respect to base holders entering the military service, who should be able to retain their bases until 1 year after being released from active duty.

The order presently requires forfeiture of base after 45 consecutive days of non-delivery of producer (Grade A) milk. Under the present plan, producers without a base are paid for substantial proportions (45 to 70 percent depending upon the month) of their current deliveries as base milk, and can reestablish a base in the next August-December period. Producers holding a base should be producers supplying the market currently. A reasonable period of non-delivery should be provided before forfeiture becomes effective to allow for emergency situations such as temporary degrading, quarantines, or loss of barns, etc. In view of the inability to reestablish a base under the Class I base plan proposed, forfeiture should not occur until after 60 consecutive days of non-delivery. Any justifiable reason for non-delivery of Grade A milk beyond this period may be recognized by a Producers' Base Committee through extension of the date of which forfeiture will occur.

Military duty represents a cause for non-delivery for which a producer should not be required to forfeit his base until 1 year after his return from service.

(c) *Antidumping provisions.* Provision should be made for reduction of the quantity of milk for which a producer is paid the base price if milk is sold to another fluid market.

The Act states that "In the case of any producer who during any accounting period delivers a portion of his milk to persons not fully regulated by the order, provision may be made for reducing the allocation of, or payments to be received by, any such producer * * * to compensate for any marketings of milk to such other persons for such period or periods as necessary to insure equitable participation in marketings among all producers".

The evident purpose of this provision is to discourage a producer selling base milk under a Class I base plan and who thus enjoys all the benefits of participation in one market from supplying his excess to another market for fluid use at a blend price or at some other price above the excess price of his own market. The injury would be to producers in the other market whose prices are diluted with or undercut by the producer's excess milk.

It was proposed that under any circumstances in which deliveries were made to plants other than Puget Sound pool plants, a producer should forfeit all base milk for the days on which such deliveries were made and that this forfeiture should permanently affect the Class I base of such producer.

The objective of this provision can be achieved if forfeiture of base occurs only with respect to deliveries to nonpool plants that engage in distribution of fluid milk products to wholesale or retail outlets or in supplying fluid milk products to plants so engaged. Forfeiture equal to the producer's adjusted base for days of delivery to such plants is appropriate as an administratively feasible

quantity related to the producer's participation in the Puget Sound market. Such forfeiture, however, should be only for the month in which deliveries are made or in which it is first established that they had been made. Permanent forfeiture is not required to provide protection against dumping.

In order that substantial inequities may not occur under this provision in cases in which producers may not be aware that their milk deliveries are available for fluid use of unregulated plants, provision should be made that upon written application of the producer, the forfeiture may be rescinded or adjusted upon review by a Producer Base Committee.

(d) *General rules.* Certain general base rules should be established for the administration of the Class I base plan.

Provisions comparable to the notification rules concerning bases under the current order are incorporated in the amended order. These provide that the market administrator, will as soon as possible after computation, notify the producer, the handler receiving such producer's milk and the cooperative association of which the producer is a member, of the amount of each producer's production history base and Class I base. Following receipt of such notice, each handler must post, in a conspicuous place in his plant, a list showing the daily base and Class I base of each producer whose milk is received at the plant.

Only one quantity of base milk should apply where the land, buildings and other production resources are owned or operated jointly. Only one base will be recognized with respect to each farm. This will assist in maintaining the integrity of the plan by lessening the means available by which bases might be manipulated.

5. *Provisions for alleviation of hardship and inequity.* Administrative guidelines should be established for review of hardship claims and the alleviation of hardship and inequities to producers under the Class I base plan.

The 1965 amendments to the Act state briefly that "Any increase in class one base resulting from enlarged or increased consumption and any producer class one bases forfeited or surrendered shall first be made available to new producers and to the alleviation of hardship and inequity among producers".

The Class I Base Plan Committee proposed that any hardship among producers be alleviated whether or not additional Class I sales are available. The Committee proposed certain rules for determining hardship, that full publicity be accorded such cases, and that open hearing be held, which with other information would be used in determining the hardship adjustment. The market administrator, as agent of the Secretary, would be the deciding official in such cases.

Certain provisions are included in the order to define those circumstances in which a producer may apply for relief. A producer may apply for adjustment or alleviation of hardship or inequity if he

has not received a Class I base; his production history base is not representative of his level of milk production in the base period because of loss of buildings, herd, or other facilities by fire, flood, or storms; official quarantine, or military service; he is subject to loss of base for failure to deliver or for delivery to other markets; or is limited in his opportunity to transfer base.

Hardship should be considered as any circumstance which was out of the control of a producer including military service obligations. However, conditions over which a producer could have exerted control through prudent precaution should not be cause for hardship adjustment of base. These conditions would include, for example, inability to obtain adequate labor, or equipment failure during the representative base period.

There are limitations on the transfer of base for which producers may apply for relief under certain conditions that may involve inequity. Such inequities might result from these limitations in case of death, disability, military service, sale of production unit, retirement, loss of lease, or other calamity affecting production facilities.

The producer must be responsible for filing a request for review of any hardship condition or inequity affecting him. This would be a written request to the market administrator to review a claimed hardship or inequity stating the conditions that caused such alleged hardship or inequity, the extent of relief or adjustment requested, the basis upon which the amount of adjustment requested was determined, the reasons why the relief or adjustment should be granted. Such request should be filed within 45 days of the date on which Class I bases are issued, or of the occurrence to which it is related.

The market administrator shall establish one or more "Producer Base Committees" consisting of five producers each to be appointed by him. Each committee shall review the requests for relief from hardship or inequity referred to it by the market administrator in a meeting in which the recording secretary shall be the market administrator or his designated representative. Recommendations on each request must be endorsed by at least three of such committee members to represent the action of the committee.

The committee shall either reject the request or indicate the nature and extent of relief granted and the date on which it is to be effective with respect to requests involving Class I base not issued to a producer, loss or potential loss of Class I base due to deliveries to a nonpool plant for fluid uses or discontinued deliveries, or inability to transfer base. With respect to requests claiming that production history base is not representative of milk production in the base period because of loss of buildings, herds, or other facilities by fire, flood, or storms, official quarantine, or military service, the committee shall either reject the request or provide a daily quantity of "hardship" adjustment milk. Such daily

hardship adjustment milk, when delivered in excess of the producer's base, shall be included with deliveries of new producers in the computation of base milk to which increase in Class I sales may be assigned. As pointed out earlier, inadequate labor, or equipment failure will not be considered justification for issuance of a quantity of "hardship" adjustment milk.

Producer Base Committee recommendations to deny any request shall be final upon notification of the producer, subject only to appeal by such producer to the Director, Dairy Division within 45 days thereafter. Recommendations of the committee to grant a request, in whole or in part, shall be transmitted to the Director, Dairy Division, and shall become final unless vetoed by the Director within 15 days after transmission.

The market administrator is authorized to reimburse committee members for their services at \$20.00 per day, and for necessary travel and subsistence expenses incurred in carrying out their duties as committee members. Reimbursement to committee members shall be from monies collected under the administrative expense fund for the administration of the order.

6. *Payments on other source milk.* No change should be made in the provisions of the present order which relate to the obligations imposed on (1) unregulated milk distributed in this marketing area or received at a pool plant from a plant not regulated by any Federal order, and (2) milk distributed in this marketing area by a plant under another Federal order or received at a pool plant from a plant regulated under another Federal order.

The present order provisions relating to other source milk are designed to remove any competitive advantage handlers using other source milk in Class I may have over handlers using producer milk for such sales, thereby assuring equity among handlers in the sale of milk in the regulated market. Generally speaking, this objective is considered to be achieved by classified pricing and interorder alignment of Class I prices with respect to milk priced under other Federal orders. With respect to unregulated milk, a combination of allocation sequence, payments at the difference between the Class I and uniform price, and opportunity to demonstrate that dairy farmers have been paid for all their milk at the equivalent of order prices based on class utilization are provided.

The proposals to revise the treatment of other source milk were designed to reserve for Puget Sound producers the returns from all Class I sales in the marketing area (and elsewhere if by Puget Sound pool plants) as long as such sales did not exceed 80 percent of milk from producers. This would be accomplished by requiring a payment on all nonpool milk used in Class I at the difference between the Class I and Class II prices.

The present order provisions relating to other source milk payments were incorporated in the order August 1, 1964. The Supreme Court of the United States on June 4, 1962, issued a decision in the

case of Lehigh Valley Cooperative Farms, Inc., et al., versus United States et al., which invalidated certain applications of the "compensatory payment" provisions of the New York-New Jersey milk order. Subsequently, on the basis of hearing in January 1963, revised provisions substantially uniform in all orders were developed to replace former provisions which might have been considered parallel to those invalidated under the New York-New Jersey order.

Other source milk, whether from unregulated plants or from other order plants, has not been a competitive factor in the Puget Sound market. There has been no route distribution of fluid milk products from such plants at least since 1951, the earliest period for which data are in the record. While some nonpool milk eligible for fluid use has been received at pool plants, there is no evidence in the record that any of such milk has been assigned to Class I use. Receipts of such milk have been less in 1963 and subsequent years than in 1961 and 1962. During the period January 1963 through July 1964, no payments were applicable with respect to any other source milk.

The adoption of a Class I base plan as the method of distributing among producers the value of pool milk used by regulated handlers in no way affects the competitive balance between costs of pool milk and nonpool milk. There is no reason to expect that other source milk will enter the market to any greater degree than has previously been the case. It is therefore concluded that no change should be made on the basis of this record in the provisions applicable to such milk.

7. *Miscellaneous provisions—(a) Revision of excess milk location differential.* The location adjustment to producers applicable to excess milk at plants in District 1, Kitsap, Mason, or Pierce Counties should be revised.

The order now provides that handlers with plants in District 1 or in these counties using producer milk in such products as ice cream and cottage cheese pay an additional 25 cents per hundredweight for the milk. A corresponding provision increases the excess price on producer milk delivered to such plants by 25 cents more than the price for excess milk received at other plant locations.

When this provision was first incorporated in the order the amounts of producer milk used in such products as ice cream and cottage cheese at District 1 plants was about equal to the amounts of excess milk received at such plants. However, the use of milk in such premium outlets has increased over the years while the receipts of excess milk at these plants have declined. Thus, handlers have paid more monies into the equalization fund on the premium uses than that required to cover the 25 cents per hundredweight location differential on excess milk. The remaining monies have been added to the base milk price paid to all producers.

The proposed Class I base plan will reduce the quantity of base milk assigned to producers. This can easily result in the delivery of a greater quantity of ex-

cess milk to handlers' plants in District 1, Kitsap, Mason, or Pierce Counties than the quantity of milk on which such handlers pay the 25 cents differential. This would require that the price for base milk delivered by producers be reduced by an amount necessary to fully cover the plus 25 cents location differential for excess milk at these plants. Reduction of the base milk price of all producers to provide the necessary funds to pay producers of excess milk the 25 cents differential at such plants would tend to destroy the effectiveness of the proposed base plan and would not be in the best interests of all producers on the market.

Handlers operating District 1, Kitsap, Mason, or Pierce County plants will continue to pay into the equalization fund the 25 cents per hundredweight differential on milk used in the higher-valued manufactured product uses. Such monies should be prorated to excess milk delivered to these plants to the extent they are available, but not to exceed the 25 cents per hundredweight maximum. If at any time more monies are available than needed to pay the additional 25 cents for such excess milk, the overage will be added to values used in computing the price for base milk.

(b) *Continuation of present base and excess plan.* The base and excess plan under the present order should continue in the event of producer rejection of the proposed Class I base plan or if the authority for it expires while it is in effect after its incorporation in the present order.

The Class I Base Plan Committee considered whether to retain the present base and excess plan or depend upon a blend pricing system for distributing producer returns for milk in each month if the Class I base plan failed of approval. The Committee proposed retention of the base and excess plan in that event.

The present base and excess plan has reduced the seasonal fluctuation of milk production in relation to fluid needs of the market, although there is some indication that it has contributed to a total increase of producer receipts at plants under the order. However, prior to any revocation of the base and excess plan under this order opportunity should be given for further consideration of such action at a public hearing.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously

issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exceptions. In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

Exceptions were filed on behalf of more than 150 interested parties. All such exceptions were considered and reviewed in the light of the hearing record. Accordingly, the recommended decision is modified herein in many respects to accommodate the excepting parties wherever a basis for such modification exists in the hearing record and where such modification will effectuate the purposes of the Act.

Producer-handlers filed numerous exceptions to that portion of the recommended decision which proposed elimination of the producer-handler exemptions and which provided for special computation of Class I bases for such handlers. In the light of producer-handler exceptions and as stated elsewhere in this decision the present producer-handler exemptions are continued.

Accordingly, all motions by producer-handlers for a stay of proceedings, for reconsideration, for reopening of the hearing or official notice are denied.

MARKETING AGREEMENT AND ORDER

Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the Puget

Sound, Wash., Marketing Area" and "Order Amending the Order Regulating the Handling of Milk in the Puget Sound, Wash., Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Referendum order: determination of representative period; and designation of referendum agent. It is hereby directed that a referendum in which each individual producer has one vote be conducted to determine whether the issuance of the Class I base plan of payment to producers as specified in the attached order, as amended and as hereby proposed to be amended, regulating the handling of milk in the Puget Sound, Wash., marketing area, is separately approved or favored by the producers, as defined under the terms of the order, as amended and as so proposed to be amended, and who, during the representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

The month of April 1967 is hereby determined to be the representative period for the conduct of such referendum.

Nicholas L. Keyock is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders (7 CFR 900.300 et seq.), such referendum to be completed on or before the 30th day from the date this decision is issued.

Signed at Washington, D.C., on July 17, 1967.

GEORGE L. MEHREN,
Assistant Secretary.

Order Amending the Order Regulating the Handling of Milk in the Puget Sound, Wash., Marketing Area

§ 1125.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing

* This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Puget Sound, Wash., marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

ORDER RELATIVE TO HANDLING

It is therefore ordered, That, on and after the effective date hereof, the following provisions are substituted for specified order provisions as indicated below, and the handling of milk in the Puget Sound, Wash., marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended and as hereby further amended, through December 31, 1969, as follows:

The provisions of the proposed marketing agreement and order amending the order contained in the recommended decision issued by the Deputy Administrator, Regulatory Programs, on April 7, 1967, and published in the FEDERAL REGISTER on April 12, 1967 (32 F.R. 5838; F.R. Doc. 67-3986), shall be and are the terms and provisions of this order, and are set forth in full herein, subject to the following revisions:

1. The amendments proposed to §§ 1125.8, 1125.9, 1125.10, 1125.11, 1125.13, 1125.14, 1125.30, 1125.33, 1125.44, 1125.46, and 1125.65 in amendments numbered 1, 2, 3, 4, 5, 6, 10, 11, 13, 14, and 15 are deleted.

2. Changes are made in the remaining amendments proposed as follows: In § 1125.110 in amendment renumbered from 7 to 1; in § 1125.111 in amendment renumbered from 8 to 2; in § 1125.120 in amendment renumbered from 17 to 6; in § 1125.121 in amendment renumbered from 18 to 6; in § 1125.122 in amendment renumbered from 19 to 6; in § 1125.123 in amendment renumbered from 20 to 6; and in § 1125.124 in amendment renumbered from 20 to 6.

3. Amendments are renumbered as follows: Amendment No. 9 is renumbered No. 3; amendment No. 12 is renumbered No. 4; and amendment No. 16 is renumbered No. 5.

Class I base plan provisions

1. Section 1125.110 is substituted for § 1125.17 as follows:

§ 1125.110 Production history base and Class I base.

(a) "Production history base" means a quantity of milk in pounds per day produced by a producer in a past period as computed pursuant to § 1125.120.

(b) "Class I base" means a quantity of milk in pounds per day as computed pursuant to § 1125.121 for which a producer may receive the base milk price.

2. Section 1125.111 is substituted for § 1125.18 as follows:

§ 1125.111 Base milk and excess milk.

(a) "Base milk" means:

(1) Milk received from a producer which is not in excess of his Class I base multiplied by the number of days in the month, except that if milk is received from a producer for only part of a month, base milk shall be milk received from such producer which is not in excess of his Class I base multiplied by the number of days of production of producer milk delivered during the month;

(2) Milk received from a producer to whom no Class I base has been issued, in the amount assigned pursuant to § 1125.122 (b) (1); and

(3) Milk received from a producer to whom a Class I base has been issued, in the amount assigned pursuant to § 1125.122 (b) (2).

(b) "Excess milk" means milk received from a producer during the month that is in excess of base milk received from such producer during the month.

3. Section 1125.22 (k) (2) is substituted for the present § 1125.22 (k) (2), as follows:

§ 1125.22 Duties.

(k) * * *

(2) On or before the 13th day of each month, the weighted average and uniform prices computed pursuant to §§ 1125.71 and 1125.72, the location adjustment for excess milk computed pursuant to § 1125.81 (a) (2), and the butterfat differential computed pursuant to § 1125.82, each applicable to milk received during the preceding month;

4. In § 1125.35 (a), subparagraph (7) is added as follows:

§ 1125.35 Handler report to producers.

(a) * * *

(7) The Class I and Class II prices for 3.5 percent milk, and the marketwide percentage of producer milk utilized in each class during the month.

5. Section 1125.81 (a) (2) is substituted for the present § 1125.81 (a) (2) as follows:

§ 1125.81 Location adjustment to producers and on nonpool milk.

(a) * * *

(2) There shall be added to the uniform price for excess milk received from producers at plants located in District 1 or in the counties of Kitsap, Mason, or Pierce, a location adjustment not to exceed 25 cents per hundredweight, rounded to the nearest full cent, computed by dividing the amount computed pursuant to § 1125.54 (c) by the total hundredweight of excess milk received at such plants.

6. Sections 1125.120, 1125.121, 1125.122, 1125.123, and 1125.124 are substituted for §§ 1125.60 and 1125.61 as follows:

§ 1125.120 Computation of production history bases.

The market administrator shall determine production history bases computed as follows:

(a) For each producer who delivered milk on 120 days or more during the months of August through December 1966, such production history base shall be the highest of:

(1) The total pounds of producer milk delivered by such person to a handler on 120 days or more during the months of August 1966 through December 1966, inclusive, divided by the number of days from the date of his first delivery within such period to the end of such 5-month period;

(2) The amount similarly computed with respect to such person's deliveries, during the months of August 1965 through December 1965, inclusive; or

(3) The amount similarly computed with respect to such person's deliveries during the months of August 1964 through December 1964, inclusive.

(b) For each person who held designation as a producer-handler for 120 days or more in the months of August through December 1966, the production history base shall be the daily average of his own production of milk for 120 days or more in the months of August through December 1964, August through December 1965, and August through December 1966, whichever is highest.

(c) Each person who becomes a producer as a result of a plant to which he delivers milk becoming a pool plant under the order pursuant to § 1125.8 shall have a production history base computed as though his deliveries of Grade A milk to such plant in the prior periods used for determining bases specified in paragraph (a) of this section had been deliveries of producer milk.

(d) With respect to computation of such bases the following rules shall apply:

(1) If a producer operated more than one farm at the same time during any specified August-December period, a separate computation shall be made with respect to producer milk delivered from each such farm for such period except that only one computation shall be made with respect to milk production resources and facilities of a producer-handler specified in § 1125.14 (b) (1);

(2) Only one base shall be allotted with respect to milk produced by one or more persons where the land, buildings and equipment used are jointly owned or operated.

(3) Deliveries of milk during the months of August through December 1966 from a farm currently operated by a person who since August 1, 1966, has received a base by transfer pursuant to § 1125.61 (a) shall be considered to be deliveries of the current operator for purposes of computation of production history base, and no production history base shall be computed for any other person from deliveries of milk from such farm.

(4) Deliveries of milk from a farm for which the producer has lost a base pursuant to § 1125.61 (b) since February 1, 1967, shall not be used to compute a production history base for such producer.

§ 1125.121 Computation of Class I base for producers with production history bases.

(a) Each producer for whom a production history base pursuant to § 1125.120 (a) or (b) may be computed and who delivered milk regularly to a handler in May 1967 shall be issued Class I base as follows:

(1) The total of the Class I bases to be issued to such persons shall be the sum of:

(i) The average daily dispositions pursuant to § 1125.41 (a) of producer milk for the year 1966 multiplied by 1.20; and

(ii) The total of the average daily dispositions of milk of their own production for the year 1966 by any such persons then holding designation as producer-handlers, multiplied by 1.20.

(2) The Class I base for each such person shall be determined by multiplying his production history base by a percentage rounded to the third decimal place obtained by dividing the total of Class I bases pursuant to subparagraph (1) of this paragraph by the sum of the production history bases issued to such producers.

(b) The Class I base for each person to whom no Class I base has been issued pursuant to paragraph (a) or (c) of this section who held designation as a producer-handler in May 1967 which is no longer effective, and who has become a producer shall be the production history for such person computed pursuant to § 1125.120 (a) or (b), multiplied by the percentage specified in paragraph (a) (2) of this section. Such Class I base shall not be in effect for such person for any month for which such person holds designation as a producer-handler.

(c) The Class I base of each person for whom a production history base is determined pursuant to § 1125.120 (c) shall be his production history base multiplied by the percentage specified in paragraph (a) (2) of this section.

§ 1125.122 Computation of base milk for new producers and hardship cases.

For each month a quantity of base milk shall be computed for each producer who does not hold a production history base pursuant to § 1125.120 and

a quantity of additional base milk shall be computed for each producer to whom a "hardship" adjustment has been issued as follows:

(a) Compute the sum of:
(1) 1.20 times the pounds by which producer milk classified as Class I exceeds the sum of the following in the corresponding month of 1966:

(i) The pounds of producer milk classified as Class I;

(ii) The Class I disposition of producers with Class I bases who then held designation as producer-handlers; and

(iii) The Class I disposition of milk by pool plants described in § 1125.120(c); and

(2) The pounds by which the current monthly total of Class I bases issued to producers exceeds the total of base milk delivered pursuant to § 1125.111(a)(1) in the month.

(b) Assign the resulting pounds, if any, as base milk pro rata to:

(1) The pounds of milk delivered during the month by each producer without a daily base; and

(2) The pounds of milk delivered by a producer to whom a hardship adjustment is issued, that are the lesser of:

(i) The pounds of such adjustment times the number of days in the month; or

(ii) The pounds by which total deliveries of milk in the month by such producer exceed base milk pursuant to § 1125.111(a).

§ 1125.123 Base rules.

The following rules shall be observed in the determination of bases:

(a) A Class I base or a portion of a Class I base may be transferred from one person to another if the conditions listed below are met:

(1) The market administrator is notified in writing by the holder of the Class I base on or before the last day of the month of transfer of the name of the person to whom the Class I base is to be transferred, the effective date of the transfer and the amount of Class I base to be transferred if less than the entire Class I base held by the transferor;

(2) It is established to the satisfaction of the market administrator that the conveyance of such base is bona fide and not for the purpose of evading any provision of this order, and comes within the remaining provisions of this paragraph;

(3) A transfer may be made only to a producer (a person who is currently a producer on the market or who will become a producer under the terms of the order by the last day of the month of transfer);

(4) A transfer of Class I base may not be made in amounts of less than 100 pounds, or the entire base, whichever is smaller;

(5) A transfer of a portion of a Class I base shall be a partial transfer and shall be effective only on the first day of a month. A transfer where the transferee producer will combine the Class I base received with Class I base already held shall be considered a partial transfer;

(6) A transfer of a complete Class I base of a producer to a person who does not already hold a Class I base will be effective on the date of transfer of herd and farm, or on the date specified if no herd and farm is transferred;

(7) A person who has received Class I base by transfer pursuant to subparagraph (5) or (6) of this paragraph within the preceding 12-month period may not further transfer all or a portion of his Class I base except as permitted under the provisions of § 1125.124;

(8) A person who was issued hardship adjustment pursuant to the provisions of § 1125.124 may not transfer all or a portion of his Class I base to another person until 2 years after the hardship adjustment was issued. Such hardship adjustments are not transferable; and

(9) Class I base issued pursuant to § 1125.121(c) may not be transferred in whole or in part for a period of 2 years after it was issued to any person other than a member of the baseholder's immediate family who continues delivery of producer milk from the same farm from which such baseholder delivered producer milk;

(10) Class I base issued pursuant to § 1125.121(b) may not be transferred in whole or in part unless such transfer is to a member of the baseholder's immediate family who continues delivery of producer milk from the same farm from which such baseholder delivered producer milk for a period of 2 years from the date upon which the producer to whom it was issued last held designation as a producer-handler.

(b) If a producer delivers milk for fluid use other than as diverted producer milk to a plant not regulated under this Part 1125, which is engaged in distribution of fluid milk products to wholesale or retail outlets or in supplying fluid milk products to a plant so engaged, such producer shall have his base milk reduced by an amount equal to his Class I base for each day's production from which any such deliveries were made to such nonpool plant during the month.

(c) A person who discontinues deliveries of producer milk for a period of 60 consecutive days after a Class I base is issued to him shall forfeit any Class I base held pursuant to the provisions of this order, except that a person entering military service may retain his Class I base until 1 year after being released from active military duty.

(d) As soon as production history bases and Class I bases are computed by the market administrator notice of the amount of each producer's production history base and Class I base shall be given by the market administrator to the producer, to the handler receiving such producer's milk, and to the cooperative association of which the producer is a member. Each handler, following receipt of such notice, shall promptly post in a conspicuous place in his plant a list or lists showing the Class I base of each producer whose milk is received at such plant.

(e) Only one quantity of base milk pursuant to either § 1125.111 (a) (1) or (3) shall be computed with respect to

milk produced by one or more persons where the land, buildings and equipment used, are jointly owned or operated.

(f) A producer who transfers Class I base computed pursuant to § 1125.121 shall have his production history base reduced in the same proportion that the Class I base transferred was of the total Class I base held by the transferor producer.

(g) As a condition for designation as a producer-handler pursuant to § 1125.14, of any person who has held Class I base any time during the 12-month period preceding such designation or of any member of the immediate family of such a person, or of any affiliate of such a person, or of any business unit of which such a person is a part, such baseholder shall forfeit Class I base in an amount equal to the highest amount held at any time during such 12-month period.

§ 1125.124 Relief from hardship or inequity.

Requests of producers for relief from hardship or inequity arising under the provisions of § 1125.120 through § 1125.123 will be subject to the following:

(a) A producer may request review of the following circumstances because of alleged hardship or inequity:

(1) He was not issued a Class I base pursuant to § 1125.121;

(2) His production history base pursuant to § 1125.120 is alleged to not be representative of his level of milk production in the base period due to a loss of milk production beyond the control of the producer such as loss of buildings, herds, or other facilities by fire, flood, or storms, official quarantine, or military service of the producer or his son;

(3) Loss or potential loss of Class I base pursuant to § 1125.123 (b) or (c); and

(4) Inability to transfer base due to the provisions of § 1125.123(a) (7), (8), (9) or (10);

(b) The producer shall file with the market administrator a request in writing for review of hardship or inequity not later than 45 days after notice pursuant to § 1125.123(d) with respect to requests pursuant to paragraph (a)(1) or (2) of this section, or not later than 45 days after the occurrence with respect to requests pursuant to paragraph (a)(3) or (4) of this section.

(1) Conditions that caused the alleged hardship or inequity;

(2) The extent of the relief or adjustment requested;

(3) The basis upon which the amount of adjustment requested was determined; and

(4) Reasons why the relief or adjustment should be granted.

(c) One or more Producer Base Committees shall be established and function as follows:

(1) Each Producer Base Committee shall consist of five producers appointed by the market administrator.

(2) Each committee shall review the requests for relief from hardship or inequity referred to it by the market administrator at a meeting in which the

market administrator or his representative serves as recording secretary and at which the applicant may appear in person if he so requests.

(3) Recommendations with respect to each such request shall be endorsed at the meeting by at least three committee members and shall:

(i) With respect to requests pursuant to paragraph (a) (1), (3), or (4) of this section, either reject such request or indicate the nature and extent to which the producer shall be granted exception to the provisions involved and the effective date thereof.

(ii) With respect to requests pursuant to paragraph (a) (2) of this section, either reject the request or provide adjustment in the form of a daily quantity of "hardship" adjustment milk which when delivered in excess of such producer's Class I base, may be included in the computation of base milk pursuant to § 1125.122 and the effective date thereof. In considering such requests the loss of milk production due to the following shall not be considered a basis for hardship adjustment:

(a) Loss of milk due to mechanical failure of farm tank or other farm equipment; and

(b) Inability to obtain adequate labor to maintain milk production, except that hardship adjustment may be granted in the case of a producer or the son of a producer who entered into military service directly from employment in milk production;

(4) Recommendation of the Producer Base Committee shall:

(i) If to deny the request, be final upon notification to the producer, subject only to appeal by the producer to the Director, Dairy Division within 45 days after such notification; or

(ii) If to grant the request in whole or in part, be transmitted to the Director, Dairy Division, and shall become final unless vetoed by such Director within 15 days after transmittal.

(5) Committee members shall be reimbursed by the market administrator from the funds collected under § 1125.88 for their services at \$20.00 per day or portion thereof, plus necessary travel and subsistence expenses incurred in the performance of their duties as committee members.

(d) The market administrator shall maintain files of all requests for alleviation of hardship and the disposition of such requests. These files shall be open to the inspection of any interested person during the regular office hours of the market administrator.

[P.R. Doc. 67-8418; Filed, July 20, 1967; 8:45 a.m.]

FEDERAL TRADE COMMISSION

[16 CFR Part 414]

RADIO SETS INCLUDING TRANSCEIVERS OR CO-CALLED WALKIE-TALKIES

Deception as to Transistor Count

Notice is hereby given that the Federal Trade Commission pursuant to the Fed-

eral Trade Commission Act, as amended, 15 U.S.C. 41-58, and the provisions of Part I, Subpart B, of the Commission's procedures and rules of practice, 32 F.R. 8444 (June 13, 1967), has initiated a proceeding for the promulgation of a trade regulation rule regarding deception as to transistor count of radios which hereinafter shall include transceivers or so-called walkie-talkies.

The Commission has initiated this proceeding having reason to believe that: (1) Marketers of radios have engaged in the practice of representing, directly or by implication, that radio sets contain a certain number of count of transistors when in fact one or more of such transistors are either dummy or do not perform the recognized and customary functions of detection, amplification and reception of radio signals; (2) great emphasis is placed on the number of transistors both in advertising and labeling; (3) a substantial portion of the purchasing public does not distinguish between transistors which perform such primary functions and diodes or transistors which perform only auxiliary functions or which are dummy, but believes that the greater the number of transistors in a radio set, the greater will be its power of detecting, amplifying and receiving signals; (4) this practice has the capacity and tendency (a) to mislead and deceive purchasers into believing that radio sets possess capabilities, qualities, and characteristics which they do not in fact possess, a matter of importance to the consumer, and (b) to divert business from competitors who nondeceptively describe the transistor count of their radio sets; and that, therefore, (5) this practice constitutes an unfair method of competition in commerce and an unfair and deceptive act or practice in commerce, in violation of section 5 of the Federal Trade Commission Act.

Accordingly, the Commission proposes the following trade regulation rule:

§ 414.1 The rule.

In connection with the sale of radio sets in commerce, as "commerce" is defined in the Federal Trade Commission Act, it is an unfair method of competition and an unfair and deceptive act or practice to represent, directly or by implication, that any radio set contains a specified number of transistors when one or more of such transistors are either dummy transistors or do not perform the recognized and customary functions of radio set transistors in the detection, amplification and reception of radio signals.

All interested persons, including the consuming public, are hereby notified that they may file written data, views or arguments concerning the proposed rule with the Chief, Division of Trade Regulation Rules, Bureau of Industry Guidance, Federal Trade Commission, Pennsylvania Avenue at Sixth Street NW., Washington, D.C. 20580, not later than November 3, 1967. To the extent practicable, such written data, views or arguments should be filed in duplicate.

All interested parties are also hereby given notice of opportunity to orally present data, views, or arguments with re-

spect to the proposed rule at a hearing to be held at 10 a.m., e.d.t., on October 4, 1967, in Room 532 of the Federal Trade Commission Building, Washington, D.C.

The data, views, or arguments presented orally or in writing relating to the proposed rule will be available for examination by interested parties at the Office of the Federal Trade Commission, Washington, D.C., and will be considered by the Commission in the establishment of a trade regulation rule.

All persons, firms, corporations, or others engaged in the sale or distribution of radio receiving sets in commerce, as "commerce" is defined in the Federal Trade Commission Act, would be subject to the requirements of any trade regulation rule promulgated in the course of this proceeding.

Where a trade regulation rule is relevant to any issue involved in an adjudicative proceeding thereafter instituted, the Commission may rely upon the rule to resolve such issue, provided that the respondent shall have been given a fair hearing on the legality and propriety of applying the rule to the particular case.

Trade regulation rules express the experience and judgment of the Commission based on facts of which it has knowledge derived from studies, reports, investigations, hearings, and other proceedings, or within official notice concerning the substantive requirements of the statutes which it administers.

The labeling, advertising, and sales promotional literature used in connection with the sale of radio sets indicate that the practice which would be prohibited by the proposed rule is widespread, especially with respect to the less expensive sets. This proceeding is designed to inform all industry members of their obligation under the law and assure equitable treatment in complying with the law.

All interested parties, including the consuming public, are urged to express their approval or disapproval of the proposed rule, or to recommend revisions thereof, and to give a full statement of their views in connection therewith.

Issued: July 20, 1967.

By the Commission.

[SEAL]

JOSEPH W. SHEA,
Secretary.

[P.R. Doc. 67-8388; Filed, July 20, 1967; 8:45 a.m.]

SMALL BUSINESS ADMINISTRATION

[13 CFR Part 121]

SMALL BUSINESS SIZE STANDARDS

Definitions of Small Business Concerns in Certain Service Industries

Notice is hereby given that the Administrator of the Small Business Administration proposes to amend Part 121 of Chapter I of Title 13 of the Code of Federal Regulations by establishing new

definitions of a small business in certain service industries for the purpose of SBA loans and Government procurement.

For the purpose of SBA loans, a concern primarily engaged in the trailer court and parks industry presently is small if, together with its affiliates, its annual receipts do not exceed \$100,000 provided that a minimum of fifty percent (50%) of the annual receipts is derived from the rental of space to tourist trailers for periods not in excess of thirty (30) days. In view of the competition which exists between hotels and motels (for which the applicable size standard is annual receipts not exceeding \$2 million) and tourist trailer courts and parks, the Small Business Administration proposes to increase the size standard for trailer courts and parks for the purpose of SBA loans to \$1 million.

For the purpose of Government procurement, a concern bidding on a contract for the services listed below is small if, together with its affiliates, its average annual sales or receipts for its preceding 3 fiscal years do not exceed the designated standard:

1. Engineering services other than marine engineering services—\$5 million.
2. Motion picture production or motion picture services—\$5 million.
3. Janitorial and custodial services—\$3 million.
4. Base maintenance—\$5 million.
5. Marine cargo handling—\$5 million.
6. Naval architectural and marine engineering services—\$6 million.

The annual receipts size standard applicable to contracts for all other services is \$1 million. As a result of a study of the size structure of concerns that can and do bid on Government contracts for services, the Small Business Administration proposes to increase the size standard applicable to contracts for certain services as follows:

1. Laundries, laundry services and cleaning and dyeing plants—\$3 million.
2. Computer programming—\$3 million.
3. Computer maintenance—\$5 million.
4. Flight training—\$5 million.
5. Food services—\$3 million.
6. Motor car rental and leasing—\$5 million.
7. Truck rental and leasing—\$5 million.
8. Tire recapping—\$5 million.
9. Data processing—\$3 million.

Interested persons may file with the Small Business Administration, within fifteen (15) days after publication of this proposal in the FEDERAL REGISTER, written statements of facts, opinions or arguments concerning the proposal.

All correspondence shall be addressed to:

Associate Administrator for Procurement and Management Assistance, Small Business Administration, 1441 L Street NW., Washington, D.C. 20416, Attn: Size Standards Staff.

Dated: July 14, 1967.

BERNARD L. BOUTIN,
Administrator.

[F.R. Doc. 67-8458; Filed, July 20, 1967; 8:46 a.m.]

[13 CFR Part 121] SMALL BUSINESS SIZE STANDARDS Definitions of Small Business Mining Concerns

Notice is hereby given that the Administrator of the Small Business Administration proposes to amend Part 121 of Chapter I of Title 13 of the Code of Federal Regulations by establishing definitions of a small business mining concern for the purpose of Government procurement and receiving SBA loans.

Currently, no specific size standards are set forth in the Small Business Size Standards Regulation for the mining industries.

The proposed size standards for the purpose of SBA loans, are set forth in Schedule E, and the proposed size standards for the purpose of Government procurement are set forth in Schedule F. The employment size standard proposed for each industry is based on available information concerning the differing characteristics of the industries and other relevant factors such as the size of companies accounting for the major portion of production and the

extent of integration with particular manufacturing facilities. In instances where large manufacturing operations control significant portions of mineral productions, the size structure of the complementary manufacturing industry was considered, and whenever the major mineral producers also are principal factors in the related manufacturing industry, the size standards for the mining industries are proposed at the same employment levels.

Interested persons may file with the Small Business Administration, within 15 days after publication of this proposal in the FEDERAL REGISTER, written statements of facts, opinions, or arguments concerning the proposal.

All correspondence shall be addressed to:

Associate Administrator for Procurement and Management Assistance
Small Business Administration
1441 L Street NW.
Washington, D.C. 20416
Attn: Size Standards Staff

Dated: July 14, 1967.

BERNARD L. BOUTIN,
Administrator.

MINING INDUSTRIES—PROPOSED EMPLOYMENT SIZE STANDARDS FOR SBA LOANS (SCHEDULE E) AND GOVERNMENT PROCUREMENT (SCHEDULE F)

Census classification code	Industry	Schedule E proposed size standard (number of employees) ¹	Schedule F proposed size standard (number of employees) ¹
	Major Group 11—Anthracite Mining	250	500
	Major Group 12—Bituminous Coal and Lignite Mining:		
1211	Bituminous coal	500	500
1213	Bituminous coal and lignite mining services	250	500
1213	Lignite	500	750
	Major Group 13—Crude Petroleum and Natural Gas:		
1311	Crude petroleum and natural gas	1,000	2,500
1381	Drilling oil and gas wells	1,000	1,000
1321	Natural gas liquids	1,000	2,500
1382	Oil and gas field exploration services	250	500
1389	Oil and gas field services, n.e.c.	250	500
	Major Group 10—Metal Mining:		
1051	Bauxite and other aluminum ores	1,000	1,000
1021	Copper ores	1,000	1,000
1069	Ferroalloy ores, except vanadium, n.e.c.	500	500
1011	Iron ores	1,000	1,000
1031	Lead and zinc ores	1,000	1,000
1042	Lode gold	500	500
1062	Manganese ores	500	500
1092	Mercury ores	500	500
1061	Metal mining services	250	500
1099	Metallic minerals (ores), n.e.c.	500	500
1043	Placer gold	500	500
1044	Silver ores	500	500
1093	Titanium ores	1,000	1,000
1064	Tungsten ores	1,000	1,000
1064	Uranium-radium-vanadium ores	1,000	1,000
	Major Group 14—Mining and Quarrying of Nonmetallic Minerals, Except Fuels	250	500

¹ The "number of employees" means the average employment of any concern and its affiliates based on the number of persons employed during the pay period ending nearest the last day of the third month in each calendar quarter for the preceding four quarters.

[F.R. Doc. 67-8459; Filed, July 20, 1967; 8:46 a.m.]

[13 CFR Part 121] SMALL BUSINESS SIZE STANDARDS Definitions of Small Business in Trucking, Warehousing, Packing, and Crating and/or Freight Forwarding and in Aircraft Preventive Maintenance

Notice is hereby given that the Administrator of the Small Business Adminis-

tration proposes to amend Part 121 of Chapter I of Title 13 of the Code of Federal Regulations by establishing new definitions of a small business in trucking, warehousing, packing, and crating and/or freight forwarding for the purpose of Government procurement and SBA loans and in aircraft preventive maintenance for the purpose of SBA loans.

Trucking, warehousing, packing and crating and/or freight forwarding. For

the purpose of both Government procurement and SBA loans the size standard presently applicable to trucking, warehousing, packing, and crating and/or freight forwarding is annual receipts for the concern's preceding fiscal year not exceeding \$3 million. A study conducted by the Small Business Administration indicates that between 1959 and 1964 there has been an upward trend in transportation costs and revenues. Further, the number of Interstate Commerce Commission regulated motor carriers of property increased by 6 percent during such period while the number of such carriers with revenues within the \$3 million annual receipts size standards remained virtually unchanged.

In view of the above, it is proposed, for the purpose of Government procurement and SBA loans, to increase the annual receipts size standard applicable to trucking, warehousing, packing, and crating and/or freight forwarding to \$5 million.

Aircraft preventive maintenance. The size standard presently applicable to Government procurements for aircraft preventive maintenance, as defined in the Federal Aviation Regulations (14 CFR 1.1), is average annual receipts not

exceeding \$1 million for the concern's preceding 3 fiscal years. For the purpose of SBA loans, the size standard presently applicable to a concern primarily engaged in aircraft preventive maintenance is annual receipts not exceeding \$1 million for the concern's preceding fiscal year. The term "preventive maintenance" as defined in the Federal Aviation Regulations (14 CFR 1.1) means "simple or minor preservation operations and the replacement of small standard parts not involving complex assembly operations." For the purpose of Government procurement, preventive maintenance is to be distinguished from "maintenance" which is defined in the Federal Aviation Regulations (14 CFR 1.1) as "inspection, overhaul, repair, preservation, and the replacement of parts, but excluding preventive maintenance." The procurement size standard for aircraft "maintenance," as distinguished from "preventive maintenance" is 1,000 employees.

Information obtained from Government procurement facilities indicates that the presently effective \$1 million annual receipts size standard applicable to contracts for preventive maintenance

is too low and bars from participation in set-aside procurements concerns that ought to be able to qualify as small business concerns.

In view of the above, it is proposed to increase the size standard applicable to procurements for aircraft preventive maintenance to average annual receipts not exceeding \$3 million for the concern's preceding 3 fiscal years.

Interested persons may file with the Small Business Administration, within 15 days after publication of this proposal in the *FEDERAL REGISTER*, written statements of facts, opinions, or arguments concerning the proposal.

All correspondence shall be addressed to:

Associate Administrator for Procurement and
Management Assistance
Small Business Administration
1441 L Street NW.
Washington, D.C. 20416
Attn: Size Standards Staff

Dated: July 14, 1967.

BERNARD L. BOUTIN,
Administrator.

[F.R. Doc. 67-8460; Filed, July 20, 1967;
8:46 a.m.]

Notices

DEPARTMENT OF THE TREASURY

Office of the Secretary

[Treasury Dept. Order 165-20]

COMMISSIONER OF CUSTOMS ET AL.

Delegation of Authority

By virtue of the authority vested in the Secretary of the Treasury by 5 U.S.C. 302 and delegated to me by Treasury Department Order No. 190 (Revision 4), dated December 15, 1965, there is hereby delegated to the following officials of the Bureau of Customs the authority vested in the Secretary by section 3828 of the Revised Statutes (44 U.S.C. 324) to authorize the publication of advertisements, notices and proposals in commercial newspapers, periodicals and other media for the recruitment of personnel to serve in the Bureau of Customs:

Commissioner of Customs.
Deputy Commissioner of Customs.
Assistant Commissioner of Customs for Administration.
Director, Personnel Management Division.

The administrative duties involved in accomplishing the advertising may be assigned to such subordinate officers as may be required.

Dated: July 17, 1967.

[SEAL] A. E. WEATHERBEE,
Assistant Secretary of
the Treasury for Administration.

[F.R. Doc. 67-8469; Filed, July 20, 1967;
8:47 a.m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

COLORADO AND VIRGINIA

Designation of Areas for Emergency Loans

For the purpose of making emergency loans pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), it has been determined that in the hereinafter-named counties in the States of Colorado and Virginia natural disasters have caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

COLORADO

Boulder.
Elbert.
El Paso.
Kit Carson.
Larimer.
Lincoln.
Logan.

Morgan.
Phillips.
Sedgwick.
Washington.
Weld.
Yuma.

HANOVER.

Pursuant to the authority set forth above, emergency loans will not be made in the above-named counties after June 30, 1968, except to applicants who previously received emergency or special livestock loan assistance and who can qualify under established policies and procedures.

Done at Washington, D.C., this 18th day of July 1967.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 67-8479; Filed, July 20, 1967;
8:48 a.m.]

IOWA

Designation and Extension of Areas for Emergency Loans

For the purpose of making emergency loans pursuant to section 321 of the Consolidated Farmers Home Administration Act of 1961 (7 U.S.C. 1961), it has been determined that in the hereinafter-named counties in the State of Iowa natural disasters have caused a need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

IOWA

Adams.
Appanoose.
Audubon.
Cass.
Clarke.
Davis.
Decatur.
Fremont.
Harrison.
Lee.
Lucas.
Mills.

Monona.
Monroe.
Montgomery.
Muscatine.
Page.
Pottawattamie.
Ringgold.
Shelby.
Taylor.
Union.
Wayne.
Woodbury.

It also has been determined that in the hereinafter-named county in the State of Iowa natural disasters have caused a continuing need for agricultural credit not readily available from commercial banks, cooperative lending agencies, or other responsible sources.

Iowa Original designation
Van Buren..... 32 F.R. 6990

Pursuant to the authority set forth above, emergency loans will not be made in the above-named county after June 30, 1968, except to applicants who previously received emergency or special livestock loan assistance and who can qualify under established policies and procedures.

Done at Washington, D.C., this 18th day of July 1967.

ORVILLE L. FREEMAN,
Secretary.

[F.R. Doc. 67-8480; Filed, July 20, 1967;
8:48 a.m.]

DEPARTMENT OF COMMERCE

Business and Defense Services Administration

UNIVERSITY OF CALIFORNIA ET AL.

Notice of Applications for Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to section 6(c) of the Educational, Scientific and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Office of Scientific and Technical Equipment, Business and Defense Services Administration, Washington, D.C. 20230, within 20 calendar days after date on which this notice of application is published in the FEDERAL REGISTER.

Regulations issued under cited Act, published in the February 4, 1967 issue of the FEDERAL REGISTER, prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Office of Scientific and Technical Equipment, Department of Commerce, Room 5123, Washington, D.C.

A copy of each comment filed with the Director of the Office of Scientific and Technical Equipment must also be mailed or delivered to the applicant, or its authorized agent, if any, to whose application the comment pertains; and the comment filed with the Director must certify that such copy has been mailed or delivered to the applicant.

Docket number: 67-00120-00-46040.
Applicant: University of California, Purchasing Department, Irvine, Calif. 92664.
Article: Shutter for Siemens Electron Microscope, type number 171 460. Manufacturer: Siemens Aktiengesellschaft, West Germany. Intended use of article: Applicant states:

Accurate preset exposure of photoplates in the Siemens Elmiskop.

Application received by Commissioner of Customs: June 13, 1967.

Docket number: 67-00155-33-73610.
Applicant: University of Houston, Department of Biology, University of Houston, Houston, Tex. 77004. Article: Burkard recording volumetric spore trap. Manufacturer: Burkard Manufacturing Company, United Kingdom. Intended use of article: The article will be used to collect fungal spores in the atmosphere to

determine major groups of spore present in the atmosphere. Application received by Commissioner of Customs: June 28, 1967.

Docket number: 67-00157-33-90000. Applicant: Margaret Sanger Research Bureau, 17 West 16th Street, New York, N.Y. 10011. Article: Beolocator, type SW 64 complete with probe, probe cable and nonmetallic wound retractors. Manufacturer: Simonsen & Weels Eftf., Copenhagen, Denmark. Intended use of article: Applicant states:

Studies of the intrauterine contraceptive device.

Application received by Commissioner of Customs: June 29, 1967.

Docket number: 67-00158-65-46040. Applicant: The Ohio State University Department of Metallurgical Engineering, 190 North Oval Drive, Columbus, Ohio 43210. Article: Philips Electronic, Norelco model EM-300 with ancillary equipment Electron Microscope. Manufacturer: Philips Electronic Instruments, The Netherlands. Intended use of article: Applicant states:

1. Examination of thin foils of pure metals, alloys and other solids such as crystalline and amorphous (SiC) reaction products, and minerals. . . .

2. Examination of metal foils under special conditions of low and high temperature and dynamic straining as well as under conditions where dynamic solid state reactions are occurring. These dynamic solid state reactions include precipitation, diffusion, and oxidation.

3. Examination of surface replicas of metal surfaces.

4. Determination of crystalline structure of solids with maximum possible accuracy.

Application received by commissioner of Customs: June 29, 1967.

CHARLEY M. DENTON,
Director, Office of Scientific and
Technical Equipment, Business
and Defense Services
Administration.

[F.R. Doc. 67-8447; Filed, July 20, 1967;
8:45 a.m.]

YALE UNIVERSITY AND U.S. PUBLIC HEALTH SERVICE

Notice of Applications for Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Office of Scientific and Technical Equipment, Business and Defense Services Administration, Washington, D.C. 20230, within 20 calendar days after date on

which this notice of application is published in the FEDERAL REGISTER.

Regulations issued under cited Act, published in the February 4, 1967, issue of the FEDERAL REGISTER, prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Office of Scientific and Technical Equipment, Department of Commerce, Room 5123, Washington, D.C.

A copy of each comment filed with the Director of the Office of Scientific and Technical Equipment must also be mailed or delivered to the applicant, or its authorized agent, if any, to whose application the comment pertains; and the comment filed with the Director must certify that such copy has been mailed or delivered to the applicant.

Docket number: 68-00006-33-15900. Applicant: Yale University, Bureau of Purchases, 20 Ashmun Street, New Haven, Conn. 06520. Article: Steady State Distribution Machine, model 110/25F. Manufacturer: Quickfit & Quartz Ltd., England. Intended use of article: Applicant states:

The Quickfit Reeve Angel Steady State Distribution Machine will be used for separating the complex mixture of transfer RNA species from *Escherichia coli* in order to obtain highly purified fractions of certain individual species.

Application received by Commissioner of Customs: July 6, 1967.

Docket number: 68-00007-33-46040. Applicant: Yale University, Bureau of Purchases, 20 Ashmun Street, New Haven, Conn. 06520. Article: Electron Microscope, Norelco model EM-300 with Anti-Contamination Device and Chiller, Manufacturer: Phillips Electronics N.V.D., The Netherlands. Intended use of article: The article will be used for research on the fine structure of extruded strands of DNA from animal viruses. DNA floated on a thin film of protein will be picked up on the electron microscope grids. In addition, the internal structures of poxviruses and of infectious bronchitis virus will be studied with both sectioned and negatively-stained material. The fine structures of stalked bacteria will be studied. The sites and activity of enzymes within the mother-cell and hyphae of DNA will also be investigated. Application received by Commissioner of Customs: July 6, 1967.

Docket number: 68-00008-33-46500. Applicant: U.S. Public Health Service, National Center for Urban & Industrial Health, 5555 Ridge Avenue, Cincinnati, Ohio 45213. Article: Ultramicrotome Reichert, model Sidea ("Om U2"). Manufacturer: C. Reichert Optische Werke A.G., Austria. Intended use of article: Applicant states:

Prepare ultrathin single and serial sections continuously variable from 0 to 10,000 Å by means of thermal advance for electron and light microscopy. Preparations of ultrathin sections of viral and cell culture specimens in virology and cancer research.

Application received by Commissioner of Customs: July 6, 1967.

CHARLEY M. DENTON,
Director, Office of Scientific
and Technical Equipment,
Business and Defense Services
Administration.

[F.R. Doc. 67-8448; Filed, July 20, 1967;
8:45 a.m.]

STATE UNIVERSITY COLLEGE AT GENESEIO AND STANFORD UNIVERSITY

Notice of Applications for Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to section 6(c) of the Educational, Scientific and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Office of Scientific and Technical Equipment, Business and Defense Services Administration, Washington, D.C. 20230, within 20 calendar days after date on which this notice of application is published in the FEDERAL REGISTER.

Regulations issued under cited Act, published in the February 4, 1967 issue of the FEDERAL REGISTER, prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Office of Scientific and Technical Equipment, Department of Commerce, Room 5123, Washington, D.C.

A copy of each comment filed with the Director of the Office of Scientific and Technical Equipment must also be mailed or delivered to the applicant, or its authorized agent, if any, to whose application the comment pertains; and the comment filed with the Director must certify that such copy has been mailed or delivered to the applicant.

Docket number: 67-00159-01-77030. Applicant: State University College at Geneseo, Geneseo, N.Y. 14454. Article: Nuclear Magnetic Resonance Spectrograph, Hitachi Perkin Elmer, model R-20. Manufacturer: Hitachi, Ltd., Japan. Intended use of article: Applicant states:

. . . It will be used in advanced organic lab and qualitative lab in the identification of compounds; it will be used in physical chemistry laboratory to study fast reaction rates, exchange rates, hindered rotation, magnetic susceptibility, solvent interaction, hydrogen bonding, complex formation, relaxation times, and molecular structure; it will be used in instrumental analysis lab and advanced analytical laboratory. It will also be used for organic and physical chemistry research by undergraduate research participants.

Application received by Commissioner of Customs: June 29, 1967.

Docket number: 68-00002-00-46040. Applicant: Stanford University, Controller's Office, Encine Hall, Stanford, Calif. 94305. Article: Shutter for Siemens Electron Microscope, type number 171460. Manufacturer: Siemens Aktiengesellschaft, West Germany. Intended use of article: Applicant states:

Accurate preset exposure of photoplates in Siemens Elmiskop.

Application received by Commissioner of Customs: July 5, 1967.

Docket number: 68-00003-00-46040. Applicant: Stanford University, Controller's Office, Post Office Box 4409, Stanford, Calif. 94305. Article: Camera for Electron Microscope, model 70mm Rollfilm, type number 171 023. Manufacturer: Siemens Aktiengesellschaft, West Germany. Intended use of article: Applicant states:

Taking of pictures inside the Siemens electron microscope.

Application received by Commissioner of Customs: July 5, 1967.

Docket number: 68-00004-00-46040. Applicant: Stanford University, Controller's Office, Post Office Box 4409, Stanford, Calif. 94305. Article: Shutter for Siemens Electron Microscope, type number 171 460. Manufacturer: Siemens Aktiengesellschaft, West Germany. Intended use of article: Applicant states:

Accurate preset exposure of photoplates in the Siemens Elmiskop.

Application received by Commissioner of Customs: July 5, 1967.

CHARLEY M. DENTON,
Director, Office of Scientific and
Technical Equipment, Business
and Defense Services
Administration.

[F.R. Doc. 67-8450; Filed, July 20, 1967;
8:45 a.m.]

UNIVERSITY OF LOUISVILLE

Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897) and the regulations issued thereunder (32 F.R. 2433 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Office of Scientific and Technical Equipment, Department of Commerce, Room 5123, Washington, D.C. 20230.

Docket number: 67-00031-33-46040. Applicant: University of Louisville, School of Medicine, 101 West Chestnut Street, Louisville, Ky. 40202. Article: JEM 50 Electron Microscope. Manufacturer: Japan Electron Optics Laboratory

Company, Ltd., Japan. Intended use of article: Applicant states:

This instrument is intended for training of medical students and residents or fellows [in the use of an electron microscope] * * * We propose to use the instrument to screen routine biopsy material submitted to the laboratory. The simple operating procedure of this instrument would facilitate such examinations.

Comments. Comments were received from one domestic manufacturer; Radio Corporation of America (RCA), which alleged inter alia that the "RCA model EMU-4 Electron Microscope is of equivalent scientific value to the instrument for which duty-free entry has been requested for the purposes stated in the application for which the instrument is intended to be used." (See RCA comment, May 22, 1967, par. (3).)

Decision. Application approved. No instrument or apparatus of equivalent scientific value to such article, for the purposes for which such article is intended to be used, is being manufactured in the United States.

Reasons. The institution needs a relatively simple electron microscope which is intended to familiarize medical students with principles of electron microscopy, within the short time allocated in the curriculum. (See reply of applicant to comments of RCA, June 1, 1967.) The domestic manufacturer claims that predecessor models of similar complexity to the EMU-4 have been and are being used for training students and residents in electron microscopy. (See comments of RCA, immediately following par. (4) (c), page 2.) However, as stated by the applicant, training on the more complex instrument is feasible only if students are willing to spend from 6 months to a year mastering the techniques of the more complicated models available in this country. (See applicant's reply to comments of RCA.) Of course, training on the more refined domestic instrument would result over such longer period of time in a higher level of competence on the part of those students willing to undertake the longer training. This does not affect the conclusion that a more elementary training of a broader group of students may have clear scientific value in the overall education of medical students.

Simplicity of design and operation would usually be regarded as a convenience rather than a pertinent characteristic, as the latter term is defined in applicable regulations (15 CFR 602.1(b) (7)). However, in certain instances this characteristic is pertinent.

In our judgment, simplicity of operation and design in this instance are characteristics which are necessary for the accomplishment of the purposes for which the applicant intends to use the foreign instrument and thus are pertinent characteristics. As noted by the applicant (applicant's reply to comments of RCA), the foreign instrument would permit the institution to familiarize a large number of students with the principles of electron microscopy in a short period of time, whereas the RCA EMU-4

would permit instruction of significantly fewer students who would be required to spend a significantly greater amount of time in mastering the use of the microscope. Accordingly, we find that the RCA EMU-4 is not of equivalent scientific value to the foreign instrument with respect to simplicity of operation and design.

Therefore, the RCA EMU-4 is not of equivalent scientific value to the foreign article, for the purposes for which such article is intended to be used.

We note that our findings in this case are consistent with the discussions of scientific equivalency contained in the House and Senate Committee reports on the Act (See H. Rept. No. 1779, 89th Cong., 2d Sess., p. 18, and S. Rept. No. 1678, 89th Cong., 2d Sess., p. 12) and with the "Analysis of Florence Agreement Implementing Legislation" presented to the House Committee on Ways and Means by the Assistant Secretary of State for Congressional Relations. (See Hearings before the House Committee on Ways and Means on H.R. 8664 and H.R. 15271, 89th Cong., 2d Sess., June 6 and 7, 1966, Comm. print, p. 13.)

The Department of Commerce knows of no other instrument or apparatus which is of equivalent scientific value to the foreign article for the purposes for which such article is intended to be used and which is being manufactured in the United States.

CHARLEY M. DENTON,
Director, Office of Scientific and
Technical Equipment, Business
and Defense Services
Administration.

[F.R. Doc. 67-8449; Filed, July 20, 1967;
8:45 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-213]

CONNECTICUT YANKEE ATOMIC POWER CO.

Notice of Issuance of Facility License Amendment

The Atomic Energy Commission ("the Commission") has issued, effective as of the date of issuance, Amendment No. 1, as set forth below, to License No. DPR-14. The amendment restates subparagraph 2.B. of the license in order to allow the Connecticut Yankee Atomic Power Co. to use small quantities of special nuclear material in fission chambers in connection with reactor operations. License No. DPR-14 presently limits the receipt, possession, and use of 6,550 kilograms of contained U²³⁵ solely as reactor fuel.

The use of the fission chambers for flux detection in the reactor was evaluated in the original application for license for this facility and their use in the reactor does not involve significant hazards considerations not previously evaluated.

Within 15 days from the date of publication of this notice in the FEDERAL REGISTER, the applicant may file request

for a hearing, and any person whose interest may be affected by the issuance of this license amendment may file a petition for leave to intervene. A request for a hearing and petitions to intervene shall be filed in accordance with the provisions of the Commission's rules of practice, 10 CFR Part 2. If a request for a hearing or a petition for leave to intervene is filed within the time prescribed in this notice, a notice of hearing or an appropriate order will be issued.

For further details with respect to this issuance, see the application dated July 12, 1967, which is available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C.

Dated at Bethesda, Md., this 13th day of July, 1967.

For the Atomic Energy Commission.

PETER A. MORRIS,
Director,
Division of Reactor Licensing.

[License No. DPR-14; Amdt. 1]

The Atomic Energy Commission having found that:

a. The application for license amendment dated July 12, 1967, complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations set forth in Title 10, Chapter 1, CFR;

b. The issuance of the amendment will not be inimical to the common defense and security or to the health and safety of the public; and

c. Prior public notice of proposed issuance of this amendment is not required since the amendment does not involve significant hazards considerations different from those previously evaluated.

Facility License No. DPR-14 is hereby amended by restating subparagraph 2.B., in its entirety, to read as follows:

"2.B. To receive, possess, and use at any one time 6,550 kilograms of contained uranium-235 in connection with operation of the facility pursuant to the Act and Title 10 CFR, Part 70, 'Special Nuclear Material.'"

This amendment is effective as of the date of issuance.

Date of issuance: July 13, 1967.

For the Atomic Energy Commission.

PETER A. MORRIS,
Director,
Division of Reactor Licensing.

[F.R. Doc. 67-8445; Filed, July 20, 1967; 8:45 a.m.]

CENTRAL INTELLIGENCE AGENCY PUBLIC ACCESS TO RECORDS

Procedures

1. *Purpose.* Pursuant to the requirements of the Public Information Section of the Administrative Procedure Act (5 U.S.C. 552), the following are established as the rules of procedure with respect to public access to the records of the Central Intelligence Agency.

2. *Organization and requests for information.* The headquarters of the Central Intelligence Agency is located in Fairfax County, Va. Requests for information and decisions and other submittals may be addressed to the Assistant

to the Director, Central Intelligence Agency, Washington, D.C. 20505.

3. *Procedures for request of records.* (a) Requests for access to records of the Central Intelligence Agency may be filed by mail addressed to the Assistant to the Director, Central Intelligence Agency, Washington, D.C. 20505.

(b) Requests need not be made on any special form but may be by letter or other written statement setting forth the pertinent facts with enough specificity that the requested record can be identified.

(c) If the request does not sufficiently identify the record, the Assistant to the Director shall so inform the requestor who may then resubmit his request together with any additional information which will help to identify it.

(d) When the requested record has been identified the Agency will determine whether it is exempt from public inspection under the provisions of 5 U.S.C. 552(b). If it is exempt, the Assistant to the Director shall deny the request.

(e) If the Agency determines that the requested record is not subject to exemption, the Assistant to the Director will inform the requestor as to the appropriate reproduction fee and upon receipt of this fee, will have the record reproduced and sent to the requestor. Fees paid in accordance with this paragraph will be paid by check or postal money order forwarded to the Assistant to the Director and made payable to the Treasurer of the United States.

4. *Appeals.* Any person aggrieved by any determination made or action taken pursuant to the foregoing provisions of this notice may request the Executive Director of the Agency to review that determination or action. No specific form is prescribed for this purpose and a letter or other written statement setting forth pertinent facts shall be sufficient. The Executive Director reserves the right to require the person involved to present additional information in support of his request for review. The Executive Director will promptly consider each such request and notify the person involved of his decision.

5. *Effective date.* This notice shall become effective upon its publication in the FEDERAL REGISTER.

L. K. WHITE,
Executive Director,
Central Intelligence Agency.

[F.R. Doc. 67-8446; Filed, July 20, 1967; 8:45 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 17436]

ALLEGHENY AIRLINES ROUTE 97 INVESTIGATION

Notice of Hearing

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that a hearing in the above-entitled proceeding will be held on August 15, 1967, at 10 a.m., e.d.s.t., in Room 726, Universal Building, 1825 Connecticut Avenue NW., Wash-

ington, D.C., before the undersigned examiner.

For information concerning the issues involved and other details in this proceeding, interested persons are referred to the prehearing conference report served on May 8, 1967, and other documents which are in the docket of this proceeding on file in the Docket Section of the Civil Aeronautics Board.

Dated at Washington, D.C., July 14, 1967.

[SEAL] MILTON H. SHAPIRO,
Hearing Examiner.

[F.R. Doc. 67-8471; Filed, July 20, 1967; 8:47 a.m.]

[Docket No. 18595]

ALM DUTCH ANTILLEAN AIRLINES

Notice of Postponement of Hearing

Notice is given herewith, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that public hearing in the above-entitled proceeding heretofore assigned to be held on July 26, 1967, is hereby postponed and is now assigned to be held on August 9, 1967, at 10 a.m., e.d.s.t., in Room 726, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C.

Dated at Washington, D.C., July 18, 1967.

[SEAL] RICHARD A. WALSH,
Hearing Examiner.

[F.R. Doc. 67-8472; Filed, July 20, 1967; 8:47 a.m.]

[Docket No. 19655; Order No. E-25423]

EASTERN AIR LINES, INC., ET AL.

Order Regarding Reservations Practices and Procedures in East Coast-Florida Market

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 17th day of July, 1967.

Agreement adopted by Eastern Air Lines, Inc., National Airlines, Inc., and Northeast Airlines, Inc., relating to reservations practices and procedures in the East Coast-Florida Market, Docket 18554, Agreement C.A.B. 19655, as amended.

An agreement has been filed with the Board pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations, between Eastern Air Lines, Inc., National Airlines, Inc., and Northeast Airlines, Inc., which establishes ticketing time limits in certain East Coast Markets¹ in an effort to alleviate reservation problems during peak holiday periods.²

¹ Between Fort Lauderdale, Fort Myers, Key West, Miami, Sarasota/Bradenton, Tampa/St. Petersburg, and West Palm Beach on the one hand, and, Baltimore, Boston, Hartford/Springfield, New Haven, New York/Newark, Philadelphia, Providence, Washington, D.C., and Wilmington on the other hand.

² Southbound from Dec. 15, through Dec. 26, 1967, and northbound from Dec. 30, 1967 through Jan. 7, 1968.

Under the agreement the following limits upon the time for ticketing and payment of the tariff fares would be applied to all reservations for transportation in these markets during peak travel periods.

Reservations accepted before departure date	Ticketing Time Limit
2 months or more.....	30 days from booking date.
1 month but less than 2 months.	15 days from booking date.
15 days but less than 1 month.	72 hours from booking date.
72 hours but less than 15 days.	24 hours from booking date.
Less than 72 hours....	No later than 30 minutes before departure.

These ticketing limitations would apply to all bookings made by the three carriers and by travel agents, and would also apply to allocations of seats made to travel agents for peak period transportation in the markets involved.

The carriers have also requested authority to file the tariff revisions necessary to implement the agreement to become effective on less than 10 days notice.

This agreement has been reached after discussions authorized by the Board² in an effort to relieve the problems which the public has been experiencing in obtaining reservations for East Coast-Florida travel during peak travel holiday seasons. By establishing ticketing time limits and thereby requiring payment of transportation charges on each booking, the problem of multiple reservations should be alleviated and substantially more seats made available for advanced sale. A similar result should be obtained from the application of these ticketing time limits to seats allocated to travel agents while affording them a reasonable opportunity to promote travel and sell their allocated space.

It appears that the procedures to be adopted under the agreement are reasonably designed to resolve at least a part of the peak period reservation problem in this market. Whether it will succeed in resolving the entire problem can be ascertained only after we have had an opportunity to evaluate it on the basis of experience. Under these circumstances we do not find the agreement to be in violation of the Act or contrary to the public interest and have concluded that it should be approved.

We have also concluded that the carriers should be authorized to file tariff revisions necessary to implement the agreement to be effective on 10 days' notice.

According, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a), 412, and 414 thereof,

It is ordered, That:

1. Agreement C.A.B. 19655 be and is hereby approved.

2. Eastern Air Lines, Inc., National Airlines, Inc., and Northeast Airlines, Inc., are hereby authorized to file tariff revisions necessary to implement the

¹ Order E-25128, May 15, 1967.

agreement approved herein to become effective on 10 days' notice.

3. This order shall be served upon Eastern Air Lines, Inc., National Airlines, Inc., and Northeast Airlines, Inc.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 67-8473; Filed, July 20, 1967;
8:47 a.m.]

[Docket No. 18792]

TORONTO AIRWAYS LTD.

Notice of Prehearing Conference

Application for a foreign air carrier permit, issued pursuant to section 402 of the Federal Aviation Act of 1958, as amended, to perform operations of a casual, occasional or infrequent nature, in common carriage, into the United States.

Notice is hereby given that a prehearing conference in the above-entitled matter is assigned to be held on July 27, 1967, at 10 a.m., e.d.s.t., in Room 911, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D.C., July 17, 1967.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 67-8474; Filed, July 20, 1967;
8:47 a.m.]

[Docket No. 18800; Order No. E-25424]

WEST COAST AIRLINES, INC.

Order To Show Cause

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 17th day of July, 1967.

In the matter of an investigation to determine whether the certificate of public convenience and necessity for Route 77 of West Coast Airlines, Inc., should be amended so as to suspend or delete its authority to serve Port Angeles, Wash., Docket 18800.

Angeles Flying Service (AFS), an air taxi operator based at Port Angeles, Wash., has filed with the Board a letter asking that the Board institute an investigation of the service rendered by West Coast Airlines, Inc. (West Coast), at Port Angeles. AFS requests further that West Coast's authority to serve Port Angeles be suspended. Communications have also been received from the city authorities of Port Angeles and from various persons in the community, all supporting AFS's informal petition.

¹ Because AFS's letter did not comply with the requirements of the Board's Procedural Regulations with respect to form, number of copies filed, and service of affected parties, it was not assigned a docket number. This informality, however, does not affect the Board's power to undertake an investigation on its own initiative.

As the result of a preliminary investigation, the Board has determined to institute an investigation to consider whether or not West Coast's certificate authority at Port Angeles should be suspended or deleted. Furthermore, we have tentatively concluded, for the reasons hereinafter set forth, that West Coast should be deleted at Port Angeles.

Port Angeles is located on the Olympic Peninsula some 68 air miles northwest of Seattle, from which it is separated by the waters of Puget Sound. West Coast was certificated to serve Port Angeles in 1946,² and since 1947 has provided the community with various patterns of service to Seattle, its principal community of interest, primarily with DC-3 aircraft. Until about 1960, West Coast provided Port Angeles with a two-daily-round-trip, commuter type of service to Seattle, and between 1949 and 1960 its passenger boardings at Port Angeles averaged around 7,300 a year, or some 20 a day—considerably in excess of the Board's "use it or lose it" standard. Beginning in 1961, however, West Coast made a number of shifts in its schedules, reducing its service from two daily round trips to one between April 1962 and January 1963 and again from April 1964 on. Schedule reliability also seems to have declined. As a result of these changes, West Coast's boardings at Port Angeles fell sharply, reaching a level of only 904 for the twelve months ending June 30, 1966.

Meanwhile, in May 1964, AFS commenced service between Port Angeles and Seattle, providing three daily round trips utilizing two twin-engine Piper Aztecs and a Beechcraft D-18. AFS's passenger boardings rose as West Coast's continued to fall, and soon were several times West Coast's.

This was the situation which prevailed until about a month ago. On May 25, 1967, however, West Coast inaugurated service between Port Angeles and Seattle with eight-passenger Piper Navajos on a three-daily-round-trip schedule, the flight times being almost identical with those of AFS. Like AFS's flights, West Coast's serve both Seattle's Boeing Field and the Seattle-Tacoma International Airport. AFS charges its Port Angeles passengers a fare of \$9 to Boeing Field and \$11 to Sea-Tac; West Coast's fare to both points is \$9. The reaction of the community to this development, as expressed to the Board by its representatives, has been not approval but fear that West Coast's new service will force AFS out of the market.³

The Seattle-Port Angeles segment has always been a stub-end on West Coast's system, having very little integration

² West Coast Case, 6 C.A.B. 961 (1946).

³ A copy of the letter received from the City Manager of Port Angeles, dated June 5, 1967, informing the Board of the unanimous vote of the Port Angeles City Council "to support AFS against West Coast," will be placed in the correspondence section of the docket in the investigation we are instituting herein, as will the letter of complaint from AFS dated Mar. 20, 1967.

with the rest of that system.⁴ Not only is the hop a short one (68 miles), even by local service carrier standards, but West Coast's length of haul for Port Angeles passengers has also been exceptionally short, since few of them have utilized West Coast's service to any point beyond Seattle. Thus, in 1959, a typical year during the period when West Coast's Port Angeles traffic was at its height, out of 16,460 O&D passengers exchanged between Port Angeles and all other points, 13,570 (82 percent) were local passengers to Seattle, and a further 1,910 (12 percent) made connections there with other carriers; only 980 local and connecting passengers (6 percent) used West Coast's services to all other points on its system, or slightly over one passenger a day each way. By 1966, when West Coast's Port Angeles O&D traffic had fallen to 2,130, Seattle local and connecting passengers were still 73 percent and 14 percent of the total, respectively, while only 270—13 percent of the total and only a fraction of one passenger per day—moved to other points on West Coast's system.

Based on the foregoing considerations, most of which do not appear to be subject to material dispute, we tentatively find and conclude as follows:

(1) The air transportation needs of Port Angeles consist almost exclusively of a need for well-timed, convenient commuter service to Seattle. There exists no substantial public need for single-plane or single-carrier service to any other point.

(2) Because of Port Angeles' location and the nature of its air travel needs, neither the community nor the carrier serving it derives any material benefit from the fact that such carrier also serves other points in addition to Seattle.

(3) West Coast's service at Port Angeles in recent years, at the level of traffic which has prevailed and in the absence of any traffic support from other points, has been uneconomic.

(4) Since 1964, AFS has rendered a service at Port Angeles which in the opinion of the community's representatives has met the community's travel needs, and has done so without Federal subsidy support.

(5) The competition between AFS and West Coast which has prevailed since May 25, 1967, when West Coast inaugurated its small-plane schedules matching AFS's existing service, appears to be uneconomic and cannot be expected to continue.

⁴ For a time West Coast served Port Angeles and Bellingham, Wash., on the same flights—a circuitous service pattern which greatly increased Port Angeles-Seattle flight times—but this pattern terminated when Bellingham was deleted from West Coast's system in the West Coast "Use It or Lose It" and Route Realignment Case, Order E-21162, Aug. 7, 1964. The same order consolidated the Seattle-Port Angeles segment into West Coast's present segment 1, but this contributed nothing material to the carrier's operational flexibility since traffic between Port Angeles and West Coast points other than Seattle has been far too thin to support flights bypassing Seattle. West Coast has in fact not provided single-plane service beyond Seattle.

(6) It appears that the representatives of the Port Angeles community fully understand the difference between air taxi service, which is permissive, and service by a certificated carrier, which carries with it a statutory duty of continuous and adequate service. Nonetheless, when faced with a choice between keeping AFS's service and losing West Coast's or keeping West Coast's and losing AFS's, the representatives of the community strongly prefer the former alternative.

(7) Deletion of West Coast at Port Angeles would not be detrimental to West Coast or to any other person.

(8) Under all the circumstances, there appears to be no justification for Federal subsidy support for West Coast's Port Angeles operation, and no possibility of continuing that operation without such subsidy support.

Upon consideration of the foregoing, the Board tentatively finds and concludes that the public convenience and necessity require, and the Board should order, the alteration, amendment or modification of West Coast's certificate of public convenience and necessity for Route 77 in such a manner as to delete the authority of West Coast to serve Port Angeles, Wash.

In granting interested persons the opportunity to show why our tentative findings and conclusions should not be adopted, we expect such persons to direct their objections, if any, to specific markets and to support such objections with detailed answers, specifically setting forth the tentative findings and conclusions to which objection is taken. Such objection should be accompanied by arguments of fact or law and should be supported by legal precedent or detailed economic analysis. General, vague and unsupported objections will not be entertained.

Accordingly, it is ordered, That:

1. A proceeding be and it hereby is instituted in Docket 18890 pursuant to section 401(g) of the Federal Aviation Act of 1958, as amended, to determine whether the public convenience and necessity require, and the Board should order, the amendment of the certificate of public convenience and necessity held by West Coast Airlines, Inc., for Route 77 in such a manner as to delete the authority of West Coast to serve Port Angeles, Wash.;

2. All interested persons are directed to show cause why the Board should not issue an order making final the tentative findings and conclusions stated herein and amend West Coast's certificate of public convenience and necessity in such a manner as to delete the authority of West Coast to serve Port Angeles, Wash.

3. Any interested persons having objection to the issuance of an order making final the proposed findings, conclusions and certificate amendments set forth herein shall, within 20 days after service of a copy of this order, file with the Board and serve upon all persons made parties to this proceeding a statement of objections together with a summary of testimony, statistical data, and

other evidence expected to be relied upon to support the stated objections;

4. If timely and properly supported objections are filed, full consideration will be accorded the matters or issues raised by the objections before further action is taken by the Board.

5. In the event no objections are filed, all further procedural steps will be deemed to have been waived, and the case will be submitted to the Board for final action; and

6. A copy of this order shall be served upon: West Coast Airlines, Inc., Angeles Flying Service, and the City of Port Angeles, Wash., who are hereby made parties to this case.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 67-8475; Filed, July 20, 1967;
8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration
AMOCO CHEMICALS CORP.

Notice of Filing of Petition for Food Additives

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348 (b)(5)), notice is given that a petition (FAP 7B2188) has been filed by Amoco Chemicals Corp., 130 East Randolph Drive, Chicago, Ill. 60601, proposing an amendment to § 121.2520 *Adhesives* to provide for the safe use of the following polymers as components of food-packaging adhesives: (1) Copolymers of α -methylstyrene and dimethyl- α -methylstyrene; (2) copolymers of α -methylstyrene, styrene, and dimethyl- α -methylstyrene; and (3) polymer of dimethyl- α -methylstyrene.

Dated: July 13, 1967.

J. K. KIRK,
Associate Commissioner
for Compliance.

[F.R. Doc. 67-8485; Filed, July 20, 1967;
8:48 a.m.]

CIVIL SERVICE COMMISSION

CRIMINAL INVESTIGATOR, INTELLIGENCE DIVISION, INTERNAL REVENUE SERVICE

Notice of Adjustment of Minimum Rates and Rate Ranges

Under authority of 5 U.S.C. 5303 and Executive Order 11073, the Civil Service

* All motions and/or petitions for reconsideration shall be filed within the period allowed for filing objections and no further such motions, requests or petitions for reconsideration of this order will be entertained.

Commission has established special minimum salary rates and rate ranges for positions of Criminal Investigator, otherwise identified as Special Agent (Intelligence) in the Internal Revenue Service.

These positions are in the GS-1811 series, grades 5 through 9, nationwide. The revised rates for these General Schedule positions are as follows:

PER ANNUM RATES

Grade	1 ¹	2	3	4	5	6	7	8	9	10
GS-5	\$6,387	\$6,563	\$6,739	\$6,915	\$7,091	\$7,267	\$7,443	\$7,619	\$7,795	\$7,971
GS-6	6,857	7,033	7,209	7,385	7,561	7,737	7,913	8,089	8,265	8,441
GS-7	7,363	7,539	7,715	7,891	8,067	8,243	8,419	8,595	8,771	8,947
GS-8	7,838	8,014	8,190	8,366	8,542	8,718	8,894	9,070	9,246	9,422
GS-9	8,218	8,394	8,570	8,746	8,922	9,098	9,274	9,450	9,626	9,802

¹ Corresponding statutory rate: GS-5—Seventh; GS-6—Sixth; GS-7—Fifth; GS-8—Third; GS-9—Third.

Geographic coverage: nationwide.

The effective date will be the first day of the first pay period which begins on or after July 16, 1967.

As of the effective date, agencies will process a pay adjustment to increase the pay of employees on the rolls in the affected occupational classes. An employee who is receiving basic compensation immediately prior to the effective date at one of the rates of the statutory rate range shall receive basic compensation at the corresponding numbered rate authorized by this notice on and after such date. The pay adjustment will not be considered an equivalent increase within the meaning of 5 U.S.C. 5335. All new employees in the specific occupational classes will be hired at the new minimum rates, on and after the effective date.

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] JAMES C. SPRY,
Executive Assistant
to the Commissioners.

[F.R. Doc. 67-8422; Filed, July 20, 1967;
8:45 a.m.]

SECURITIES AND EXCHANGE COMMISSION

INTERAMERICAN INDUSTRIES, LTD.

Order Suspending Trading

JULY 17, 1967.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the capital stock of Interamerican Industries, Ltd., Calgary, Alberta, Canada, being traded in the United States otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c) (5) of the Securities Exchange Act of 1934, that trading in the United States in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period July 18, 1967, through July 27, 1967, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 67-8455; Filed, July 20, 1967;
8:45 a.m.]

NATIONAL AVIATION CORP.

Notice of Filing of Application for Order of Exemption to Permit Purchase of Securities During Underwriting

JULY 17, 1967.

Notice is hereby given that National Aviation Corp. ("Applicant"), 111 Broadway, New York, N.Y. 10006, a closed-end, nondiversified management investment company registered under the Investment Company Act of 1940 ("Act"), has filed an application pursuant to section 10(f) of the Act for an order of the Commission exempting from the provisions of section 10(f) a proposed purchase by the Applicant at the public offering price of up to \$2 million principal amount of the Convertible Subordinated Debentures due 1987 ("the debentures") which the Northrop Corp. ("the Issuer") proposes to issue. The proposed purchase is a portion of an offering of \$30 million principal amount of the debentures expected to be offered to the public as soon as the registration statement on Form S-1 of the Issuer, filed June 30, 1967, shall be made effective pursuant to section 8(a) of the Securities Act of 1933. All interested persons are referred to the application on file with the Commission for a statement of the representations made therein which are summarized below.

The firm of Hornblower & Weeks-Hemphill, Noyes will probably be one of the principal underwriters for the issue. Howard E. Buhse, a director of Applicant and a member of the executive committee, is a partner of that firm. Section 10(f) of the Act, as here pertinent, provides that no registered investment company shall knowingly purchase or otherwise acquire, during the existence of any underwriting or selling syndicate, any security (except a security of which such company is the issuer) if a director of the registered investment company is an affiliate of the principal underwriter of such security. Since one of the Applicant's directors is an affiliated person of one of the principal underwriters offering the debentures, the purchase thereof by the Applicant is prohibited. The Commission may exempt a transaction from this prohibition if and to the extent that such exemption is consistent with the protection of investors.

The Applicant in support of its application asserts that the proposed purchase of the debentures is consistent with Applicant's investment objectives and policies, and is not proposed for the purpose of stimulating the market in the debentures or for the purpose of relieving the underwriters of securities otherwise unmarketable, that it will not purchase the debentures from Hornblower & Weeks-Hemphill, Noyes, that the terms of the proposed investment, if consummated, are fair and reasonable, that the amount paid will represent 1.7 percent of the Applicant's assets as of June 30, 1967, and that if the proposed investment is consummated, Applicant's interest in all of the securities of the Issuer will then be 3.3 percent of its total assets as of June 30, 1967.

Notice is further given that any interested person may, not later than July 31, 1967, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon applicant at the address stated above. Proof of such service (by affidavit or in case of an attorney-at-law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 67-8456; Filed, July 20, 1967;
8:46 a.m.]

DEPARTMENT OF THE INTERIOR

National Park Service

[Order 39]

CHIEF, OFFICE OF ARCHEOLOGY AND HISTORIC PRESERVATION

Delegation of Authority

SECTION 1. Delegation. The Chief, Office of Archeology and Historic Preservation, National Park Service, Washington, D.C.,

is hereby designated as the representative of the Director, National Park Service for the purpose of exercising all of the authority of the Director in his capacity as Executive Director of the Advisory Council on Historic Preservation, said Council having been established in accordance with Title II of the Act of October 15, 1966 (80 Stat. 915).

Sec. 2. *Redelegation.* The authority delegated by this order may not be re-delegated.

(Sec. 205(a), Act of October 15, 1966 (80 Stat. 915, 919))

Dated: July 5, 1967.

GEORGE B. HARTZOG, Jr.,
Director, National Park Service.

[P.R. Doc. 67-8452; Filed, July 20, 1967;
8:45 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-4730, etc.]

R. H. ADKINS ET AL.

Notice of Applications for Certificates, Abandonment of Service and Petitions To Amend Certificates¹

JULY 11, 1967.

Take notice that each of the Applicants listed herein has filed an application or petition pursuant to section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service heretofore authorized as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before August 3, 1967.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on all applications in which no protest or petition to intervene is filed within the time required herein if the Commission on its own review of the matter believes that a grant of the certificates or the authorization for the proposed abandonment is required by the public convenience and necessity. Where a protest or petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given: *Provided, however,* That pursuant to § 2.56, Part 2, Statement of General Policy and Interpretations, Chapter I of Title 18 of the

Code of Federal Regulations, as amended, all permanent certificates of public convenience and necessity granting applications, filed after April 15, 1965, without further notice, will contain a condition precluding any filing of an increased rate at a price in excess of that designated for the particular area of production for the period prescribed therein unless at the time of filing such certificate application, or within the time fixed herein for the filing of protests or petitions to

intervene the Applicant indicates in writing that it is unwilling to accept such a condition. In the event Applicant is unwilling to accept such condition the application will be set for formal hearing.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

Docket No. and date filed	Applicant	Purchaser, field, and location	Price per Mcf	Pressure base
G-4730 D 6-21-67	R. H. Adkins, Hamlin, W. Va. 25323.	Consolidated Gas Supply Corp., Washington District, Kanawha County, W. Va.	(9)	-----
G-5392 C 6-26-67	Weyla Oil Corp., 608 Main St., Hingham, Mass. 02042.	Consolidated Gas Supply Corp., Spencer District, Roane County, W. Va.	25.0	15.325
G-13633 D 6-16-67 ¹	Union Producing Co. (Operator) et al., Post Office Box 1407, Shreveport, La. 71102.	United Gas Pipe Line Co., Silgo Field, Bossier Parish, La.	Assigned	-----
G-14156 (G-14441) C 6-15-67 ¹	Union Oil Co. of California, Union Oil Center, Los Angeles, Calif. 90017.	El Paso Natural Gas Co., Aneth Field, San Juan County, Utah.	17.7	15.025
CI61-239 E 6-20-67	Occidental Petroleum Corp. (successor to McWood Corp., Operator), 5000 Stockdale Highway, Bakersfield, Calif. 93309.	Tennessee Gas Pipeline Co., a division of Tenneco, Inc., Laguna Madre Field, Kennedy County, Tex.	15.5	14.65
CI62-198 D 6-19-67	Oklahoma Natural Gas Co., et al., Post Office Box 871, Tulsa, Okla. 74102.	Transwestern Pipeline Co., Elmwood Field, Beaver County, Okla.	(9)	-----
CI62-703 E 6-20-67	Occidental Petroleum Corp. (successor to McWood Corp., Operator) et al.	Tennessee Gas Pipeline Co., a division of Tenneco, Inc., Potrero Lopeno Field, Kennedy County, Tex.	17.24347	14.65
CI63-900 (G-12578) C 6-22-67 ¹	Pan American Petroleum Corp., Post Office Box 591, Tulsa, Okla. 74102.	Colorado Interstate Gas Co., Mocane Gas Area, Beaver County, Okla.	* 18.08	14.65
CI64-946 C 6-26-67	Tenneco Oil Co. (Operator) et al., Post Office Box 2411, Houston, Tex. 77001.	Michigan Wisconsin Pipe Line Co., Lenora Field, Dewey County, Okla.	* 17.0	14.65
CI65-617 E 6-20-67	Occidental Petroleum Corp. (successor to McWood Corp., Operator) et al.	Texas Eastern Transmission Corp., Spider Field, De Soto Parish, La.	13.5	15.025
CI66-199 E 6-19-67	Latham Management Co., Inc. (Operator) et al. (successor to McGoldrick & Watson Drilling Co. (Operator) et al.), Post Office Box 1581, Shreveport, La. 71101.	United Gas Pipe Line Co., Bethany Field, Panola County, Tex.	10.887	14.65
CI67-1802 A 6-26-67	Pan American Petroleum Corp.	Northern Natural Gas Co., West Perryton Field, Ochiltree County, Tex.	* 19.55	14.65
CI67-1803 A 6-26-67	Petroleum, Inc., 300 West Douglas, Wichita, Kans. 67202.	Panhandle Eastern Pipe Line Co., Mocane-Laverne Pool, Beaver County, Okla.	* 17.0	14.65
CI67-1814 A 6-22-67	Fairman Drilling Co., Box 288, Dubois, Pa. 15801.	Consolidated Gas Supply Corp., Gaskill Township, Jefferson County, Pa.	27.5	15.325
CI67-1815 A 6-21-67	Boyd & Shriver, Rend Bldg., South Seventh St., Indiana, Pa. 15701.	Consolidated Gas Supply Corp., Canoe Township, Indiana County, Pa.	25.0	15.325
CI67-1816 A 6-26-67	The California Co., a division of Chevron Oil Co., 1111 Tulane Ave., New Orleans, La. 70112.	Texas Gas Transmission Corp., Block 8 Field, South Timberline Area, Offshore Louisiana.	21.25	15.025
CI67-1817 A 6-26-67	Jack F. Hurang and Joseph A. Johnson, 303 Warwick, 1315 Gravier St., New Orleans, La. 70112.	United Gas Pipe Line Co., Belle Isle Field, St. Mary Parish, La.	20.035	15.025
CI67-1818 (CI64-1405) F 6-19-67	Texaco Oil Co., Operator (successor to Steve Goss (Operator) et al.), 811 San Jacinto Bldg., Houston, Tex. 77002.	Arkansas Louisiana Gas Co., acreage in Haskell County, Okla.	15.0	14.65
CI67-1819 (G-18748) F 6-22-67	Pan American Petroleum Corp. (successor to Sinclair Oil & Gas Co.).	El Paso Natural Gas Co., Mocane Gas Area, Beaver County, Okla.	17.0	14.65
CI67-1820 (G-12750) F 6-22-67	Pan American Petroleum Corp. (successor to Helmerich & Payne, Inc.).	Colorado Interstate Gas Co., Mocane Gas Area, Beaver County, Okla.	* 19.21	14.65
CI67-1821 A 6-26-67	Louise Star Producing Co., 304 South Harwood St., Dallas, Tex. 75201.	Panhandle Eastern Pipe Line Co., acreage in Dewey County, Okla.	* 17.0	14.65
CI67-1822 A 6-27-67	The California Co., a division of Chevron Oil Co.	Texas Gas Transmission Corp., Block 23 Field, Ship Shoal Area, Offshore Louisiana.	21.25	15.025
CI67-1823 B 6-28-67	Jas. F. Morse & Co., c/o M. C. Morse, agent and atty-in-fact, 267 Meadows Bldg., Dallas, Tex. 75206.	Texas Gas Pipeline Corp., Oyster Bayou Field, Chambers County, Tex.	Depleted	-----
CI67-1824 A 6-28-67	Logue and Patterson et al., 628 Meadows Bldg., Dallas, Tex. 75206.	United Gas Pipe Line Co., acreage in San Patricio County, Tex.	14.25	14.65

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial succession.

See footnotes at end of table.

¹This notice does not provide for consolidation for hearing of the several matters covered herein, nor should it be so construed.

Docket No. and date filed	Applicant	Purchaser, field, and location	Price per Mcf	Pressure base
CI67-1825, A 6-28-67	Alabama Gas Corp., 3171 Masonic Dr., Alexandria, La. 71301.	Texas Eastern Transmission Corp., Treblec Field, Chicasso County, Miss.	17.0	15.025
CI67-1826, A 6-28-67	Whitestone Petroleum Corp., 300 Pere Marquette Bldg., New Orleans, La. 70112.	Southern Natural Gas Co., Magnolia Field, Plaquemine Parish, La.	19.5	15.025
CI67-1827, (CI61-1427) F 6-26-67	Kerr-McGee Corp. (successor to Feazel Interests ¹) Kerr-McGee Bldg., Oklahoma City, Okla. 73102.	Texas Gas Transmission Corp., Cartwright Field, Jackson Parish, La.	18.75	15.025
CI67-1828, (G-11745) F 6-26-67	Kerr-McGee Corp. (successor to Feazel Interests ¹).	Texas Gas Transmission Corp., Terryville Field, Lincoln Parish, La.	18.25	15.025
CI67-1829, (G-17404) F 6-26-67	do	Texas Gas Transmission Corp., Bull Creek Field, Claiborne and Union Parishes, La.	18.25	15.025
CI67-1830, (G-2594) F 6-26-67 ¹⁴	do	Texas Eastern Transmission Corp., Hico-Knowles-Dubach Area, Claiborne, Lincoln, and Union Parishes, La.	16.7756	15.025
CI67-1831, (CI61-563) (CI63-1109) F 6-26-67	Kerr-McGee Corp. (Operator) et al. (successor to Feazel Interests ¹).	Texas Gas Transmission Corp., North Grambling Field, Terryville-Ruston Area, Lincoln Parish, La.	18.75	15.025
CI67-1832, (G-2594) F 6-26-67 ¹²	Kerr-McGee Corp. (successor to Feazel Interests ¹).	Texas Eastern Transmission Corp., Unionville Field, Lincoln Parish, La.	16.7756	15.025
CI67-1833, (G-2594) F 6-26-67 ¹¹	do ¹³	Mississippi River Transmission Corp., North Ruston Field, Lincoln Parish, La.	14.153	15.025
CI67-1834, (G-16764) F 6-26-67	do ¹³	Texas Gas Transmission Corp., Carlton, Calhoun, and Tremont Areas, Jackson, Lincoln, and Ouachita Parishes, La.	18.25	15.025
CI67-1835, (CI66-553) F 6-26-67	do ¹³	Texas Gas Transmission Corp., Cheniere Area, Jackson and Ouachita Parishes, La.	18.25	15.025

¹ The gas purchaser has advised Petitioner that the purchaser does not have the facilities or capacity to accommodate the volumes of gas which will be produced from the subject acreage.

² Deletes nonproductive acreage assigned to Crystal Oil & Land Co.

³ Adds acreage acquired from Marathon Oil Co., Docket No. G-14441.

⁴ Uneconomical to connect due to small volumes of casinghead gas.

⁵ Adds acreage acquired from Marathon Oil Co., Docket No. G-12578.

⁶ Includes 2.08 cents upward B.t.u. adjustment. Subject to upward and downward B.t.u. adjustment.

⁷ Subject to upward and downward B.t.u. adjustment.

⁸ Includes 2.34 cents upward B.t.u. adjustment. Subject to upward and downward B.t.u. adjustment.

⁹ Includes 2.21 cents upward B.t.u. adjustment. Subject to upward and downward B.t.u. adjustment.

¹⁰ Covered under certificate issued to Texas Gas Exploration Corp. (Operator) et al., Docket No. CI61-1427.

¹¹ Covered under certificate issued to Southwest Gas Producing Co., Inc. (Operator) et al., Docket No. G-11745.

¹² Covered under certificate issued to Southwest Gas Producing Co., Inc., et al., Docket No. G-17404.

¹³ Partially succeeds FPC GRS No. 6.

¹⁴ Covered under certificates issued to W. C. Feazel Estate, et al., Docket No. CI61-563 and John Franks (Operator) et al., Docket No. CI63-1109.

¹⁵ Partially succeeds FPC GRS No. 5.

¹⁶ Partially succeeds FPC GRS No. 2.

¹⁷ Covered under certificate issued to Southwest Gas Producing Co., Inc., et al., Docket No. G-16764.

¹⁸ Covered under certificate issued to Southwest Gas Producing Co., Inc., et al., Docket No. CI66-553.

[F.R. Doc. 67-8352; Filed, July 20, 1967; 8:45 a.m.]

[Docket No. G-8294, etc.]

JOHN B. HAWLEY, JR., ET AL.

Findings and Order

JULY 12, 1967.

John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1 (successor to John B. Hawley, Jr.), and other Applicants listed herein; Docket Nos. G-8294, et al.

Findings and orders after statutory hearing issuing certificates of public convenience and necessity, canceling docket numbers, amending certificates, permitting and approving abandonment of service, terminating certificates, terminating rate proceeding, substituting respondents, making successors co-respondents, redesignating proceedings, accepting agreements and undertakings for filing, requiring filing of surety bonds, and accepting related rate schedules and supplements for filing.

Each of the Applicants listed herein has filed an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and

necessity authorizing the sale and delivery of natural gas in interstate commerce, for permission and approval to abandon service, or a petition to amend an existing certificate authorization, all as more fully described in the respective applications and petitions (and any supplements or amendments thereto) which are on file with the Commission.

The Applicants herein have filed related FPC Gas Rate Schedules and propose to initiate or abandon, add or delete natural gas service in interstate commerce as indicated by the tabulation herein. All sales certificated herein are at rates either equal to or below the ceiling prices established by the Commission's Statement of General Policy No. 61-1, as amended, or involve sales for which permanent certificates have been previously issued; except that the sales from the Permian Basin area of New Mexico are authorized to be made at the applicable area base rate and under the conditions prescribed in Opinion Nos. 468 and 468-A.

John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr.,

Trust No. 1, Applicants in Docket Nos. G-9268 and G-9477, and John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1 (Operator), et al., Applicants in Docket No. G-13570, proposes to continue the sales of natural gas heretofore authorized to be made in said dockets pursuant to John B. Hawley, Jr., FPC Gas Rate Schedule Nos. 2 and 3 and John B. Hawley, Jr. (Operator), et al., FPC Gas Rate Schedule No. 4, respectively. Said rate schedules will be redesignated as those of Applicants. The presently effective rates under said rate schedules are in effect subject to refund in Docket Nos. RI62-268, RI64-595 and RI62-522, respectively. A prior increased rate was collected under the predecessor's FPC Gas Rate Schedule No. 3 subject to refund in Docket No. G-18101. Applicants have filed motions to be substituted as respondents in all of their predecessor's rate proceedings and have submitted agreements and undertakings to assure the refunds of all amounts collected in excess of the amounts determined to be just and reasonable in said proceedings. Therefore, Applicants will be substituted in lieu of their predecessor as respondent in each proceeding, the proceedings will be redesignated accordingly, and the agreements and undertakings will be accepted for filing.

Glenn F. Thomas doing business as Thomas Petroleum (Operator) et al., Applicant in Docket No. G-18513, proposes to continue the sale of natural gas heretofore authorized in said docket to be made pursuant to Glenn F. Thomas, et al., doing business as Thomas & Brewer (Operator) et al., FPC Gas Rate Schedule No. 1. Said rate schedule will be redesignated as that of Applicant. The presently effective rate under said rate schedule is in effect subject to refund in Docket No. RI63-43. Concurrently with the subject application Applicant filed a motion to be added as party respondent in the proceeding pending in Docket No. RI63-43 effective as of the date of transfer of the producing properties. In his certificate application Applicant indicates that he intends to be responsible for the total refund from the time that the increased rate was made effective subject to refund. An agreement and undertaking accompanied the application and motion but does not state the extent to which Applicant is assuming the refund obligation. Therefore, Applicant will be made a co-respondent with his predecessor in the proceeding pending in Docket No. RI63-43, the proceeding will be redesignated accordingly, and the agreement and undertaking will be accepted for filing to assure the refund of any amounts collected by Applicant in excess of the amount determined to be just and reasonable in said proceeding. If Applicant intends to assume the refund obligation of his predecessor, he should so advise the Commission.

V. F. Neuhaus, Applicant in Docket Nos. G-11172 and CI61-783, proposes to continue the sales of natural gas heretofore authorized in said dockets to be made pursuant to Shell Oil Company

FPC Gas Rate Schedule No. 193 and Shell Oil Co. (Operator) et al., FPC Gas Rate Schedule No. 271, respectively. Said rate schedules will be redesignated as those of Applicant. The presently effective rates under said rate schedules are in effect subject to refund in Docket Nos. RI65-475 and RI63-411, respectively, and Applicant has filed motions to be made correspondent in said proceedings. Therefore, Applicant will be made correspondent in the proceedings pending in Docket Nos. RI63-411 and RI65-475, said proceedings will be redesignated accordingly, and Applicant will be required to file a surety bond in each proceeding to assure the refunds of any amounts collected by him in excess of the amounts determined to be just and reasonable in said proceedings.

Continental Oil Co., Applicant in Docket No. CI67-1665, proposes to continue in part the sale of natural gas heretofore authorized in Docket No. G-12236 to be made pursuant to J. M. Huber Corp. FPC Gas Rate Schedule No. 26. The contract comprising said rate schedule will also be accepted for filing as a rate schedule of Applicant. The presently effective rate under said rate schedule is in effect subject to refund in Docket No. G-20444, and Applicant has filed a motion to be made correspondent in said proceeding together with an agreement and undertaking to assure the refund of any amounts collected by it in excess of the amount determined to be just and reasonable in said proceeding. Therefore, Applicant will be made correspondent in the proceeding pending in Docket No. G-20444, the proceeding will be redesignated accordingly, and the agreement and undertaking will be accepted for filing.

The Commission's staff has reviewed each application and recommends each action ordered as consistent with all substantive Commission policies and required by the public convenience and necessity.

After due notice, no petitions to intervene, notices of intervention, or protests to the granting of any of the respective applications or petitions in this order have been received.

At a hearing held on July 6, 1967, the Commission on its own motion received and made a part of the record in these proceedings all evidence, including the applications, amendments and exhibits thereto, submitted in support of the respective authorizations sought herein, and upon consideration of the record, The Commission finds:

(1) Each Applicant herein is a "natural-gas company" within the meaning of the Natural Gas Act as heretofore found by the Commission or will be engaged in the sale of natural gas in interstate commerce for resale for ultimate public consumption, subject to the jurisdiction of the Commission, and will therefore, be a "natural-gas company" within the meaning of said Act upon the commencement of the service under the respective authorizations granted hereinafter.

(2) The sales of natural gas hereinbefore described, as more fully described

in the respective applications, amendments and/or supplements herein, will be made in interstate commerce, subject to the jurisdiction of the Commission, and such sales by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are subject to the requirements of subsections (c) and (e) of section 7 of the Natural Gas Act.

(3) The respective Applicants are able and willing properly to do the acts and to perform the services proposed and to conform to the provisions of the Natural Gas Act and the requirements, rules and regulations of the Commission thereunder.

(4) The sales of natural gas by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are required by the public convenience and necessity and certificates therefore should be issued as hereinafter ordered and conditioned.

(5) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Docket Nos. CI67-1450, CI67-1550 and CI67-1655 should be canceled and that the applications filed herein should be processed as petitions to amend the certificates heretofore issued in Docket Nos. G-7408, G-4233 and CI63-730, respectively.

(6) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the certificate authorizations heretofore issued by the Commission in Docket Nos. G-4233, G-4727, G-7408, G-8294, G-9143, G-9268, G-9477, G-11172, G-11838, G-12236, G-13103, G-13570, G-18513, CI60-189, CI60-193, CI61-763, CI61-783, CI61-957, CI62-845, CI61-1450, CI63-20, CI63-730, CI64-130, CI64-567, and CI65-603 should be amended as hereinafter ordered and conditioned.

(7) The sales of natural gas proposed to be abandoned by the respective Applicants, as hereinbefore described, all as more fully described in the respective applications and in the tabulation herein, are subject to the requirements of subsection (b) of section 7 of the Natural Gas Act, and such abandonments should be permitted and approved as hereinafter ordered.

(8) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the certificates of public convenience and necessity heretofore issued to the respective Applicants relating to the abandonments hereinbefore permitted and approved should be terminated.

(9) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the rate suspension proceeding pending in Docket No. RI65-596 should be terminated.

(10) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1, should

be substituted in lieu of John B. Hawley, Jr., as respondents in the proceedings pending in Docket Nos. G-18101, RI62-268 and RI64-595; that John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1 (Operator) et al., should be substituted in lieu of John B. Hawley, Jr. (Operator) et al., as respondents in the proceeding pending in Docket No. RI62-522; that said proceedings should be redesignated accordingly; and that the agreements and undertakings submitted by the successors in said proceedings should be accepted for filing.

(11) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Glenn F. Thomas doing business as Thomas Petroleum (Operator) et al., should be a correspondent in the proceeding pending in Docket No. RI63-43, that said proceeding should be redesignated accordingly, and that the agreement and undertaking submitted by Glenn F. Thomas doing business as Thomas Petroleum (Operator) et al., should be accepted for filing.

(12) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that V. F. Neuhaus should be correspondent in the proceedings pending in Docket Nos. RI63-411 and RI65-475, that said proceedings should be redesignated accordingly, and that V. F. Neuhaus should be required to file surety bonds in said proceedings.

(13) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Continental Oil Co. should be a correspondent in the proceeding pending in Docket No. G-20444, that said proceeding should be redesignated accordingly, and that the agreement and undertaking submitted by Continental in said proceeding should be accepted for filing.

(14) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the respective related rate schedules and supplements as designated in the tabulation herein should be accepted for filing as hereinafter ordered.

The Commission orders:

(A) Certificates of public convenience and necessity are issued upon the terms and conditions of this order, authorizing the sales by the respective Applicants herein of natural gas in interstate commerce for resale, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary for such sales, all as hereinbefore described and as more fully described in the respective applications, amendments, supplements, and exhibits in this proceeding.

(B) The certificates granted in paragraph (A) above are not transferable and shall be effective only so long as Applicants continue the acts or operations hereby authorized in accordance with the provisions of the Natural Gas Act and the applicable rules, regulations and orders of the Commission.

(C) The grant of the certificates issued in paragraph (A) above shall not be construed as a waiver of the requirements of section 4 of the Natural Gas

Act or of Part 154 or Part 157 of the Commission's regulations thereunder, and is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceedings now pending or hereafter instituted by or against the respective Applicants. Further, our action in this proceeding shall not foreclose nor prejudice any future proceedings or objections relating to the operation of any price or related provisions in the gas purchase contracts herein involved. Nor shall the grant of the certificates aforesaid for service to the particular customers involved imply approval of all of the terms of the respective contracts particularly as to the cessation of service upon termination of said contracts, as provided by section 7(b) of the Natural Gas Act. Nor shall the grant of the certificates aforesaid be construed to preclude the imposition of any sanctions pursuant to the provisions of the Natural Gas Act for the unauthorized commencement of any sales of natural gas subject to said certificates.

(D) The grant of the certificates issued herein on all applications filed after April 15, 1965, is upon the condition that no increase in rate which would exceed the ceiling prescribed for the given area by paragraph (d) of the Commission's Statement of General Policy No. 61-1, as amended, shall be filed prior to the applicable date, as indicated by footnote 4 in the attached tabulation.

(E) The initial rates for sales authorized in Docket Nos. CI65-603 and CI67-1572 shall be the applicable base area rates prescribed in Opinion No. 468, as modified by Opinion No. 468-A, as adjusted for quality, or the contract rates, whichever are lower; and no increases in rate in excess of said initial rates shall be filed before January 1, 1968.

(F) If the quality of the gas delivered by Applicants in Docket Nos. CI65-603 and CI67-1572 deviates at any time from the quality standards set forth in Opinion No. 468, as modified by Opinion No. 468-A, so as to require a downward adjustment of the existing rate, a notice of change in rate shall be filed pursuant to the provisions of section 4 of the Natural Gas Act; provided, however, that adjustments reflecting changes in Btu content of the gas shall be computed by the applicable formula and charged without the filing of notices of changes in rate.

(G) Within 90 days from the date of initial delivery Applicants in Docket Nos. CI65-603 and CI67-1572 shall file rate schedule quality statements in the form prescribed in Opinion No. 468-A.

(H) The initial price for the sale authorized in Docket No. CI67-1223 shall be 15.0 cents per Mcf at 14.65 p.s.i.a.

(I) The acceptance for filing of the rate filing in Docket No. CI67-1660 is contingent upon Applicant's filing three copies of a billing statement as required by the Regulations under the Natural Gas Act.

(J) A certificate is issued herein in Docket No. CI67-782 authorizing Applicant to continue the sale of natural gas

which was initiated without prior Commission authorization.

(K) A certificate is issued herein in Docket No. CI67-1676 authorizing Applicant to continue the sale of natural gas being rendered on June 7, 1954, by the predecessor.

(L) Docket Nos. CI67-1450, CI67-1550 and CI67-1655 are canceled.

(M) The certificates heretofore issued in Docket Nos. G-7408, G-11838, and G-13103 are amended by adding thereto or deleting therefrom authorization to sell natural gas to the same purchasers and in the same areas as covered by the original authorizations pursuant to the rate schedule supplements as indicated in the tabulation herein.

(N) The certificate heretofore issued in Docket No. CI65-603 is amended to include the sale of natural gas from the additional acreage and to include the interest of the nonsignatory coowners pursuant to the rate schedule supplements as indicated in the tabulation herein.

(O) The certificates heretofore issued in Docket Nos. G-4727, G-12236 and CI63-20 are amended by deleting therefrom authorization to sell natural gas from acreage assigned to Applicants in Docket Nos. CI67-1582, CI67-1665, and CI67-1596, respectively.

(P) The acceptance for filing of the related rate schedule in Docket No. CI67-1665 is contingent upon Applicant's filing three copies of a billing statement as required by the regulations under the Natural Gas Act.

(Q) The certificates heretofore issued in Docket Nos. G-4233, G-8294, G-9143, G-9268, G-9477, G-11172, G-13570, G-18513, CI60-189, CI60-193, CI61-763, CI61-783, CI61-957, CI62-845, CI62-1450, CI63-730,¹ CI64-130, and CI64-567 are amended by changing the certificate holders to the respective successors in interest as indicated in the tabulation herein.

(R) The acceptance for filing of the rate filings in Docket Nos. G-11172 and CI61-783 is contingent upon Applicant's filing three copies of a billing statement for each rate schedule as required by the regulations under the Natural Gas Act.

(S) The acceptance for filing of the rate schedule filing in Docket No. CI63-730 is contingent upon Applicant's filing three copies of a billing statement as required by the regulations under the Natural Gas Act.

(T) Permission for and approval of the abandonment of service by the respective Applicants, as hereinbefore described, all as more fully described in the respective applications and in the tabulation herein are granted.

(U) Permission for and approval of the abandonment in Docket No. CI67-1671 shall not be construed to relieve Applicant of any refund obligations which may be ordered in the rate suspension proceeding pending in Docket No. RI63-427.

¹ The sale herein is authorized at the initial price of 15.0 cents per Mcf at 14.65 p.s.i.a.

(V) The certificate heretofore issued in Docket No. G-4579 is terminated only insofar as it pertains to Cities Service Oil Co.'s FPC Gas Rate Schedule Nos. 4 and 5.

(W) The certificates heretofore issued in Docket Nos. G-9920, G-12517, G-16871, G-19573, G-19800, CI62-602, and CI62-903 are terminated.

(X) The rate suspension proceeding pending in Docket No. RI65-596 is terminated.

(Y) John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1, are substituted in lieu of John B. Hawley, Jr., as respondents in the proceedings pending in Docket Nos. G-18101, RI62-268 and RI64-595; John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1 (Operator) et al., are substituted in lieu of John B. Hawley, Jr. (Operator), et al., as respondents in the proceeding pending in Docket No. RI62-522; said proceedings are redesignated accordingly; and the agreements and undertakings submitted by the new respondents are accepted for filing.

(Z) John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1, and John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1 (Operator), et al., shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the agreements and undertakings filed by them in Docket Nos. G-18101, RI62-268, RI62-522 and RI64-595 shall remain in full force and effect until discharged by the Commission.

(AA) Glenn F. Thomas doing business as Thomas Petroleum (Operator) et al., shall be a correspondent in the proceeding pending in Docket No. RI63-43; said proceeding is redesignated accordingly; and the agreement and undertaking filed by Thomas Petroleum in said proceeding is accepted for filing to assure the refund of any amounts collected by Thomas Petroleum in excess of the amount determined to be just and reasonable in said proceeding.

(BB) Glenn F. Thomas doing business as Thomas Petroleum (Operator) et al., shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the agreement and undertaking filed by Thomas Petroleum in Docket No. RI63-43 shall remain in full force and effect until discharged by the Commission.

² Docket Nos. G-18101, RI62-268, and RI64-595, John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1; Docket No. RI62-522, John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1 (Operator), et al.

³ Glenn F. Thomas, et al., doing business as Thomas & Brewer (Operator) et al., Massey and Smith, and Glenn F. Thomas doing business as Thomas Petroleum (Operator) et al.

(CC) V. F. Neuhaus shall be core-spondent in the proceedings pending in Docket Nos. RI63-411 and RI65-475 and said proceedings are redesignated accordingly.*

(DD) Within thirty days from the issuance of this order V. F. Neuhaus shall execute, in the form set out below, and shall file with the Secretary of the Commission acceptable surety bonds in Docket Nos. RI63-411 and RI65-475 in the amounts of \$9,000 and \$4,500 respectively, to assure the refunds of any amounts collected by him, together with interest at the rate of seven percent per annum, in excess of the amounts determined to be just and reasonable in said proceedings. Said bonds shall be accompanied by certificates to the effect that Applicant has assumed no obligation in connection with the bonds in addition to the payment of the bond premiums. Unless notified to the contrary within thirty days from the date of submission, said bonds shall be deemed to have been accepted for filing.

(EE) V. F. Neuhaus shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the surety bonds filed by him in Docket Nos. RI63-411 and RI65-475 shall remain in full force and effect until discharged by the Commission.

(FF) Continental Oil Co. shall be a core-spondent in the proceeding pending in Docket No. G-20444, said proceeding is redesignated accordingly,* and the agreement and undertaking submitted by Continental in said proceeding is accepted for filing.

(GG) Continental Oil Co. shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the agreement and undertaking filed by it in Docket No. G-20444 shall remain in full force and effect until discharged by the Commission.

(HH) The respective related rate schedules and supplements as indicated in the tabulation herein are accepted for filing; further, the rate schedules relating to the successions herein are accepted and redesignated, subject to the applicable Commission regulations under the Natural Gas Act to be effective on the dates as indicated in the tabulation herein.

By the Commission.

[SEAL]

GORDON M. GRANT,
Secretary.

* Docket No. RI63-411, Shell Oil Co. (Operator) et al., and V. F. Neuhaus; Docket No. RI63-475, Shell Oil Co., Cabot Corp. (SW) (Operator) et al., Herman Geo. Kaiser (Operator) et al., Phillips Petroleum Co., and V. F. Neuhaus.

* J. M. Huber Corporation and Continental Oil Co.

Docket No. and Date Filed	Applicant	Purchaser, Field and Location	FPC Rate Schedule to be accepted		
			Description and Date of Document	No.	Supp.
G-8294..... G-9143 E 5-8-67	John B. Hawley, Jr., and G. S. Davidson, Trustees under John B. Hawley, Jr., Trust No. 1 (successor to John B. Hawley, Jr.).	Cities Service Gas Co., Kansas Hugoton Gas Field, Haskell and Morton Counties, Kans.	John B. Hawley, Jr., FPC GRS No. 1. Supplement Nos. 1-10. Notice of succession 5-5-67.	1	1-10
G-9298..... E 5-8-67	do	Northern Natural Gas Co., Kansas Hugoton Gas Field, Haskell County, Kans.	Assignment 1-2-64. Effective date: 11-26-63. John B. Hawley, Jr., FPC GRS No. 2. Supplement Nos. 1-9. Notice of succession 5-5-67.	1	11
G-9477..... E 5-8-67	do	Colorado Interstate Gas Co., Kansas Hugoton Gas Field, Grant County, Kans.	Assignment 1-2-64. Effective date: 11-26-63. John B. Hawley, Jr., FPC GRS No. 3. Supplement Nos. 1-4. Notice of succession 5-5-67.	1	12
G-11172..... E 5-8-67	V. F. Neuhaus (succe- sor to Shell Oil Co.).	Florida Gas Transmission Co., Oblate Field, Hidalgo County, Tex.	Assignment 1-2-64. Effective date: 11-26-63. Shell Oil Co., FPC GRS No. 193. Supplement Nos. 1-6. Notice of succession 5-4-67.	2	10
G-11838..... C 5-17-67 *	Cities Service Oil Co.	Northern Natural Gas Co., Belpre Field, Edwards County, Kans.	Assignments 4-14-67. Effective date: 5-2-67. Supplemental agree- ment 4-26-67.	3	8
G-13103..... C 5-19-67 *	Astee Oil & Gas Co.	Southern Union Gather- ing Co., Basin Dakota Pool, San Juan County, N. Mex.	Assignment 4-20-67.	3	1-4
G-13570..... E 5-8-67	John B. Hawley, Jr., and G. S. Davidson, trustees under John B. Hawley, Jr., Trust No. 1 (Operator) et al. (successor to John B. Hawley, Jr. (Op- erator) et al.).	Northern Natural Gas Co., Kansas Hugoton Gas Field, Finney County, Kans.	John B. Hawley, Jr. (Operator) et al., FPC GRS No. 4. Supplement Nos. 1-3. Notice of succession 5-5-67.	3	3
G-18513..... E 4-28-67	Glenn F. Thomas d.b.a. Thomas Petroleum (Operator) et al. (suc- cessor to Glenn F. Thomas et al. d.b.a. Thomas & Brewer (Operator) et al.)	Colorado Interstate Gas Co., Adams Ranch Field, Meade County, Kans.	Assignment 1-2-64. Effective date: 11-26-63. Glenn F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al., FPC GRS No. 1. Supplement Nos. 1-10. Notice of succession (undated).	4	4
CI60-189..... E 4-28-67	do	Panhandle Eastern Pipe Line Co., Acreage in Meade County, Kans.	Assignment 3-18-67. Effective date: 3-1-67. Glenn F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al., FPC GRS No. 4. Supplement No. 1. Notice of succession (undated).	1	1-10
CI60-193..... E 4-28-67	do	do	Assignment 3-18-67. Effective date: 3-1-67. Glenn F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al., FPC GRS No. 3. Supplement No. 1. Notice of succession (undated).	3	11
CI61-763..... E 5-15-67	Sunray DX Oil Co. (successor to Texaco, Inc.).	Natural Gas Pipeline Co. of America, Northwest Dawson Field, Beaver County, Okla.	Assignment 3-18-67. Effective date: 3-1-67. Texaco Inc., FPC GRS No. 229. Supplement Nos. 1-3. Notice of succession 5-10-67. Assignment 1-1-67. Effective date: 1-1-67.	3	2
				2	1
				2	2
				5	
				6	1
				275	
				275	1-3
				275	4

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial succession.

See footnotes at end of table.

NOTICES

Docket No. and Date Filed	Applicant	Purchaser, Field and Location	FPC Rate Schedule to be accepted			Docket No. and Date Filed	Applicant	Purchaser, Field and Location	FPC Rate Schedule to be accepted		
			Description and Date of Document	No.	Supp.				Description and Date of Document	No.	Supp.
C161-783 E 5-8-67	V. F. Neuhans (operator) to Shell Oil Co. (Operator) et al.	Florida Gas Transmission Co., Ypsilanti Field, Stark County, Tex.	Shell Oil Co. (Operator) et al., FPG GRS No. 1-9-67 Assignment 4-14-67 Effective date: 3-1-67	9	-	C167-1449 (G-1080) B 4-11-67	Humble Oil & Refining Co.	United Gas Pipe Line Co., Bayou Chaurvin Field, Terrebonne Parish, La.	Notice of cancellation 4-11-67, n	188	3
C161-807 E 4-28-67	Glen F. Thomas d.b.a. Thomas Petroleum (Operator) et al. (successor to Glen F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al.)	Panhandle Eastern Pipe Line Co., Actonville Field, Seward County, Kans.	Assignment 4-14-67 Effective date: 3-1-67 d.b.a. Thomas & Brewer (Operator) et al., FPG GRS No. 7.	9	10	C167-1450 (G-1081) D 4-11-67	Eaton L. Cox (Partial abandonment).	Kansas-Northwest Natural Gas Co., Inc., Hurston Field, Shotton County, Kans.	Notice of cancellation 4-12-67, n	3	3
C161-845 E 4-28-67	Glen F. Thomas d.b.a. Thomas Petroleum (Operator) et al. (successor to Glen F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al.)	Natural Gas Pipeline Co. of America, Eddy County, N. Mex.	Notice of succession Assignment 3-15-67 Effective date: 3-1-67 Glenn F. Thomas and George W. Brewer, Jr., d.b.a. Thomas & Brewer (Operator) et al., FPG GRS No. 2.	4	1	C167-1451 (G-1082) E 5-1-67	M. L. Kline (successor to Mrs. Geraldine H. Wood).	United Gas Pipe Line Co., Cotton Valley Field, Webster Parish, La.	Mrs. Geraldine H. Wood, FPG OHS No. 1 Successor to M. L. Kline Notice of Succession 5-15-67 Assignment 2-24-68 Effective date: 2-24-68 Contract 2-4-67	1	14
C162-1432 E 4-28-67	Glen F. Thomas d.b.a. Thomas Petroleum (Operator) et al. (successor to Glen F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al.)	Panhandle Eastern Pipe Line Co., Barryman Pool, Morton County, Kans.	Notice of succession Assignment 3-15-67 Effective date: 3-1-67 Glenn F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al., FPG GRS No. 10.	6	1	C167-1452 (G-1083) F 5-4-67	Wison Exploration Co., agent (Operator), et al. (successors to D. Thompson, Production Co., Inc.).	Arcansas Louisiana Gas Co., Harrison Field, Haskell County, Okla.	Contract 2-29-67 Contract 2-12-67 Agreement 2-15-64	2	2
C162-1433 E 4-28-67	Glen F. Thomas d.b.a. Thomas Petroleum (Operator) et al. (successor to Glen F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al.)	Kansas-Northwest Natural Gas Co., Inc., acreage in Beaver County, Okla.	Assignment 3-15-67 Effective date: 3-1-67 Glenn F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al., FPG GRS No. 11.	7	1	C167-1453 (G-1084) F 5-4-67	An-Son Corp. (Operator) et al. (successors to Humble Oil & Refining Co. (Operator) et al.).	Arkansas Louisiana Gas Co., Millies-McCurran Field, Haskell County, Okla.	Contract 5-14-62 Letter agreement 3-5-62 Amended agreement 3-22-63 Assignment 5-26-66 Effective date: 5-26-66 Contract 4-6-67 Contract 2-25-66 Contract 4-7-67	21	1
C164-150 E 4-28-67	Glen F. Thomas d.b.a. Thomas Petroleum (Operator) et al. (successor to Glen F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al.)	Northern Natural Gas Co., Harvey Ranch Field, Clark County, Kans.	Assignment 3-15-67 Effective date: 3-1-67 Glenn F. Thomas and George W. Brewer, Jr., d.b.a. Thomas & Brewer (Operator) et al., FPG GRS No. 12.	7	2	C167-1454 (G-1085) B 5-15-67	Shelly Oil Co. et al.	Panhandle Eastern Pipe Line Co., South Bishop (Peak) Field, Ellis County, Okla.	Notice of cancellation (undated), n	21	2
C164-567 E 4-28-67	Glen F. Thomas d.b.a. Thomas Petroleum (Operator) et al. (successor to Glen F. Thomas et al., d.b.a. Thomas & Brewer (Operator) et al.)	Panhandle Eastern Pipe Line Co., Adams Ranch Field, Comanche County, Okla.	Assignment 3-15-67 Effective date: 3-1-67 Glenn F. Thomas and George W. Brewer, Jr., d.b.a. Thomas & Brewer (Operator) et al., FPG GRS No. 13.	8	1	C167-1455 (C167-730) E 5-12-67	Sarkis, Int. successor to Estate of S. J. Sarkis.	Texas Gas Transmission Corp., Cartago Field, Pecos County, Tex.	Estate of S. J. Sarkis, FPG GRS No. 1 Supplement Nos. 1-5 Notice of succession 5-8-67 Court Order 3-13-67 Assignment 2-29-67 Effective date: 3-1-67 Notice of cancellation 4-3-67, n	4	1-5
C165-603 C 5-15-67	Marchon Oil Co. (Operator) et al.	Natural Gas Pipelines Co. of America, Indian Basin Area, Eddy County, N. Mex.	Assignment 3-15-67 Effective date: 3-1-67 Letter 10-21-66 Letter 2-3-67	9	1	C167-1456 (G-1086) A 5-15-67	International Helium Inc. (Operator) et al.	Valley Gas Transmission, Inc., Sulita East Field, Duval County, Tex.	Contract 5-8-67	4	7
C167-782 A 12-12-66	F. F. Deem, agent for R. H. Smith et al., d.b.a. Morris Oil & Gas Co.	Carnegie Natural Gas Co., Union District, Rutledge County, W. Va.	Contract 9-26-56	11	-	C167-1457 (G-1087) A 5-15-67	Hays & Co., agent for McCullough-Rosen et al.	Consolidated Gas Supply Corp., Parkersburg District, Wood County, Ohio.	Contract 1-24-67	282	282
C167-1223 5-5-67	Saco Production Co.	Louisiana Gas Co., Henderson South Travis Peak Field, Ruston County, Texas.	Contract 1-11-67	2	-	C167-1458 (G-1088) B 5-15-67	Continental Oil Co. (Operator) et al. (successors to M. H. Carter, Quality State Oil Refining Corp. et al.).	West Service Gas Co., Alameda County, Okla.	Contract 12-4-62 Assignment 2-24-67 Effective date: 3-1-67 Contract 2-3-67	227	227
						C167-1459 (G-1089) A 5-15-67	Shell Oil Co.	Midland Wisconsin Pipe Line Co., Seaman-Morris Unit, Woodward County, Okla.	Notice of cancellation 5-19-67, n	266	266

See footnotes at end of table.

See footnotes at end of table.

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C167-1669 A 5-22-67 ¹	Anadarko Production Co.	Baca Gas Gathering System, Inc., Walsh Field, Baca County, Colo.	Contract 4-24-67 ¹	131	
C167-1670 (G-4579) B 5-22-67 ²	Cities Service Oil Co.	Lone Star Gas Co., Cruce Field, Stephens County, Okla.	Notice of cancellation 5-18-67, ^{3,4} Notice of cancellation 5-18-67, ^{3,4}	4 5	2 3
C167-1671 (G-16871) B 5-22-67	Kerr-McGee Corp.	Panhandle Eastern Pipe Line Co., South Forgan Area, Beaver County, Okla.	Notice of cancellation 5-18-67, ^{3,4}	28	3
C167-1673 (C162-602) B 5-19-67	W. C. McBride, Inc.	Arkansas Louisiana Gas Co., South Marlow Field, Stephens County, Okla.	Notice of cancellation 5-18-67, ^{3,4}	19	3
C167-1674 (G-19873) B 5-22-67	Shell Oil Co.	United Gas Pipe Line Co., Bayou Chauvin Field, Terrebonne Parish, La.	Notice of cancellation 5-18-67, ^{3,4}	219	3
C167-1675 A 5-22-67 ¹	A. M. van Flick	Equitable Gas Co., Court House District, Lewis County, W. Va.	Contract 4-24-67 ¹	8	
C167-1676 A 5-24-67 ²	Dwight L. McKeever	The Manufacturers Light & Heat Co., Loyal Hanna Township, Westmoreland County, Pa.	Contract 4-1-54, ³ Letter agreement 3-6-58, ⁴ Assignment 5-17-67, ⁵ Letter agreement 5-1-67, ⁶	1 1 1 1	1 2 3
C167-1677 A 5-24-67 ¹	Texaco, Inc.	Montana-Dakota Utilities Co., Pavillion Field, Fremont County, Wyo.	Effective date: 5-17-67 Contract 5-3-67 ¹	397	
C167-1678 A 5-25-67 ¹	Larco Drilling Co. (Operator) et al.	United Gas Pipe Line Co., Puckett Gas Field, Rankin and Smith Counties, Miss.	Contract 5-8-67	6	
C167-1680 A 5-25-67	Texaco, Inc.	Northern Natural Gas Co., Carthage Field, Texas County, Okla.	Contract 5-9-67 ¹	400	
C167-1682 A 5-24-67 ¹	Reynolds Drilling Co., Inc. (Operator) et al.	Texas Eastern Transmission Corp., Logansport Field, De Soto Parish, La.	Contract 5-8-67	1	

¹ Assigns acreage from John B. Hawley, Jr., to Applicant.

² From Shell Oil Co. to Roger B. Mize, 5 assignments of even dates.

³ From Roger B. Mize to V. F. Neuhans.

⁴ Jan. 1, 1968, moratorium pursuant to the Commission's Statement of General Policy No. 61-1, as amended.

⁵ Acreage committed to depths shallower than the base of the Mississippi System.

⁶ Effective date: Date of initial delivery (Applicant shall advise the Commission as to such date).

⁷ Southern Union Gas Co. assigned its purchase rights to Southern Union Gathering Co. Gas previously sold in intrastate commerce.

⁸ Adds interest of nonsignatory coowners.

⁹ Jan. 1, 1968, moratorium provided by Opinion No. 468.

¹⁰ Applicant has indicated a willingness to accept the conditions imposed by the order issuing certificate in the original application. These conditions were similar to those imposed by Opinion No. 468.

¹¹ Supplements the rate schedule to cover the interest of nonsignatory coowners (Pioneer Production Corp., Odessa Natural Gasoline Co., Merle C. Kelce and Frank W. Podpechan).

¹² From buyer, agreeing to accept the interest of the nonsignatory coowners under the subject contract.

¹³ Sale being rendered without prior Commission authorization.

¹⁴ Amended application filed to reflect a rate of 15.0075 cents in lieu of 14.99 cents.

¹⁵ Source of gas depleted.

¹⁶ Effective date: Date of this order.

¹⁷ Application erroneously assigned Docket No. C167-1450 will be construed as a petition to amend the certificate in Docket No. G-7408 to reflect the partial abandonment and Docket No. C167-1450 will be canceled.

¹⁸ Application erroneously assigned Docket No. C167-1550 will be construed as a petition to amend the certificate in Docket No. G-4233 to reflect the complete succession and Docket No. C167-1550 will be canceled.

¹⁹ Assigns acreage from Mrs. Geraldine H. Woolf to M. L. Kline.

²⁰ Applicant has expressed willingness to accept a permanent certificate containing conditions similar to those imposed by Opinion No. 468, as modified by Opinion No. 468-A.

²¹ Amendment to the application filed to reflect a price of 10.3812 cents in lieu of 11.39 cents.

²² Ratifies contract between D. Thomason Production Co., Inc., and buyer (Mar. 12, 1953), as amended (Mar. 15, 1954), to cover acreage acquired by assignment dated Feb. 22, 1967 from D. Thomason Production Co., Inc.

²³ On file as D. Thomason Production Co., Inc., FPC GRS No. 1.

²⁴ On file as Humble Oil & Refining Co. (Operator), et al., FPC GRS No. 337.

²⁵ Between Humble and Arkansas Louisiana; serves as notice of intent to compress gas as provided in the contract.

²⁶ Between Humble and Arkansas Louisiana; amends basic contract to provide for 15-cent rate with periodic increases every 5 years to a maximum of 18 cents.

²⁷ Assignment of subject acreage from Humble to An-Son Corp.

²⁸ Between Mack Oil Co., T. H. McCasland and Panhandle Eastern; adopts terms of June 16, 1966 contract.

²⁹ Between Amerada Petroleum Corp. and Panhandle Eastern Pipe Line Co.

³⁰ Between Norville Oil Co. and Panhandle Eastern Pipe Line Co. Adopts terms of June 16, 1966 contract.

³¹ Application erroneously assigned Docket No. C167-1655 will be construed as a petition to amend the certificate in Docket No. C163-730 and Docket No. C167-1655 will be canceled.

³² Court Order directing the Executors of the Estate of S. J. Sarkeys to turn over to Sarkeys Foundation the property covered by Estate of S. J. Sarkeys FPC GRS No. 1.

³³ From Sarkeys Foundation to Sarkeys, Inc.

³⁴ Contract on file as J. M. Huber Corp. FPC GRS No. 26.

³⁵ Assigns acreage from J. M. Huber to Applicant.

³⁶ Rate in effect subject to refund in Docket No. R165-596, effective Sept. 23, 1965. Applicant states well ceased to produce before effective date of rate increase and no money was collected subject to refund; therefore, the rate suspension proceeding in Docket No. R165-596 will be terminated.

³⁷ Other sales covered under Docket No. G-4579; therefore, the certificate in said docket will be terminated only insofar as it pertains to Cities Service Oil Co.'s FPC GRS Nos. 4 and 5.

³⁸ Rate in effect subject to refund in Docket No. R163-427; last firm rate is 16 cents.

³⁹ Sale being rendered on June 7, 1964, by predecessor (no certificate or rate filings made by predecessor).

⁴⁰ Between The Peoples Natural Gas Co. and The Manufacturers Light & Heat Co.

⁴¹ Between Peoples and Manufacturers to cover additional acreage.

⁴² From Peoples to Dwight L. McKeever.

⁴³ Provides for a rate of 25 cents per Mcf at 15.325 p.s.i.a. and 50° F.; however, by letter dated May 25, 1967, Applicant agreed to accept a permanent certificate at 20.6738 cents per Mcf.

[F.R. Doc. 67-8353; Filed, July 20, 1967; 8:45 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

JULY 18, 1967.

Protests to the granting of an application must be prepared in accordance with Rule 1.40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 41076—*Diammonium Phosphate from Belledune, N.B., Canada.* Filed by O. W. South, Jr., Agent (No. A5045), for interested rail carriers. Rates on diammonium phosphate, suitable only for fertilizer purposes, in carloads, minimum 100,000 pounds, from Belledune, N.B., Canada, to points in southern territory.

Grounds for relief—Modified short-line distance formula and grouping.

Tariff—Supplement 1 to Canadian Freight Association, Agent, tariff ICC 275.

FSA No. 41077—*Clay, Kaolin or Pyrophyllite from Gulfport, Miss.* Filed by O. W. South, Jr., Agent (No. A5044), for interested rail carriers. Rates on clay, kaolin or pyrophyllite, in carloads, as described in the application, from Gulfport, Miss., to Hutchinson, Topeka, and Wichita, Kans., Minneapolis, Minn., Moberly, Mo., Omaha, Nebr., and Green Bay, Wis.

Grounds for relief—Short-line distance formula and grouping.

Tariff—Supplement 265 to Southern Freight Association, Agent, tariff ICC S-40.

FSA No. 41078—*Soda Ash to Joliet Arsenal (Area 1), Ill.* Filed by Western Trunk Line Committee, Agent (No. A-2509), for interested rail carriers. Rates on soda ash (other than modified soda ash), in bulk or in bulk in bags, barrels, boxes, or pails, in carloads, from Alchem, Stauffer, and Westvaco, Wyo., to Joliet Arsenal (Area 1), Ill.

Grounds for relief—Market competition.

Tariff—Supplement 199 to Western Trunk Line Committee, Agent, tariff ICC A-4411.

By the Commission.

[SEAL]

H. NEIL GARSON,
Secretary.

[F.R. Doc. 67-8478; Filed, July 20, 1967; 8:47 a.m.]

[Notice 9]

MOTOR CARRIER TRANSFER PROCEEDINGS

JULY 18, 1967.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 279), appear below:

As provided in the Commission's special rules of practice any interested

person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-69706. By order of July 14, 1967, the Transfer Board approved the transfer to N.C. Food Express, Inc., Albermarle, N.C., of Certificate of Registration in No. MC-120530 (Sub-No. 2), issued January 3, 1964, to Carolina Food Express, Inc., Charlotte, N.C., and evidencing a right of the holder to engage in transportation in interstate or foreign commerce corresponding in scope to the grant of authority in Certificate No. C-784, dated May 26, 1959, issued by the North Carolina Utilities Commission. Bobby G. Deaver, Receiver of Carolina Food Express, Inc., 109 Green Street, Fayetteville, N.C. 28301, attorney for applicants.

[SEAL]

H. NEIL GARSON,
Secretary.

[P.R. Doc. 67-8477; Filed, July 20, 1967;
8:47 a.m.]

[Notice 8]

MOTOR CARRIER TRANSFER PROCEEDINGS

JULY 17, 1967.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 279), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its dis-

position. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-69664. By order of July 12, 1967, the Transfer Board approved the transfer to Ruth M. Lakin, doing business as Lakin's Express, Post Office Box 127, Ellsworth Falls, Maine, of certificate of registration No. MC-85944 (Sub-No. 1), issued December 20, 1965, to Fred W. Lakin, Ellsworth Falls, Maine, and evidencing a right to engage in transportation in interstate or foreign commerce corresponding in scope to the grant of authority in certificate of public convenience and necessity No. 164, issued prior to October 15, 1962, and renewed currently, by the State of Maine Public Utilities Commission.

No. MC-FC-69737. By order of July 12, 1967, the Transfer Board approved the transfer to Engel Trucking, Inc., Greenville, Pa., of the remaining portion of the operating rights in certificate No. MC-34604, issued January 17, 1941, to H. Justus Apel, Ebensburg, Pa., authorizing the transportation of Machinery between Ebensburg, Pa., and points within 10 miles thereof, on the one hand, and, on the other, points in Ohio, New York, and Maryland, traversing New Jersey for operating convenience only. A. Charles Tell, Suite 1800, 100 East Broad Street, Columbus, Ohio, attorney for applicants.

No. MC-FC-69746. By order of July 13, 1967, the Transfer Board approved the transfer to Kolb, Inc., Shenandoah, Iowa, of certificate No. MC-63823, issued September 12, 1941, to Boyd H. Kolb, Shenandoah, Iowa, and authorizing the transportation, over a specified regular route, of general commodities, with usual exceptions, between Shenandoah, Iowa, and Omaha, Nebr., serving the intermediate and off-route points of South Omaha, Nebr., and those within 12 miles of Shenandoah, except Coin, Yorktown, Essex, Farragut, Northboro, and Riverton, Iowa; over a regular route between Shenandoah, Iowa, and Nebraska City, Nebr., serving all intermediate and off-route points within 12 miles of Shenandoah except, Coin, Yorktown, Essex, Farragut, Northboro, and Riverton, Iowa; and household goods, and emi-

grant movables, over irregular routes, between Shenandoah, Iowa, and points within 12 miles thereof, on the one hand, and, on the other, points in Nebraska. Einar Viren, 904 City National Bank Building, Omaha, Nebr. 68102, attorney for applicants.

No. MC-FC-69748. By order of July 12, 1967, the Transfer Board approved the transfer to Richard B. Brunzick, Augusta, Wis., of permit No. MC-124697, issued May 9, 1963, to Gerald Dachel and Alfred Dachel, a partnership, doing business as Dachel Brothers Trucking, Chippewa Falls, Wis., authorizing the transportation of: cheese, cottage cheese, cheese dip, butter, powdered milk and cream, from Chippewa Falls and Deerfield, Wis., to points in Illinois (except points in the Chicago, Ill., commercial zone), Indiana, Missouri, and Iowa; cottage cheese, from Holy Cross and Bettendorf, Iowa, to Chippewa Falls, Wis., and new empty containers, used in retail sales of cottage cheese and cheese dip, from points in Illinois (except points in the Chicago, Ill., commercial zone), Indiana, Missouri, and Iowa, to Chippewa Falls, Wis., restricted to a service conducted under continuing contract with Bowman Dairy Co., of Chicago, Ill., A. R. Fowler, 2288 University Avenue, St. Paul, Minn. 55114, representative for applicants.

No. MC-FC-69766. By order of July 14, 1967, the Transfer Board approved the transfer to Fremont Contract Carriers, Inc., 1028 William, Fremont, Nebr., of the operating rights in permit No. MC-127243 (Sub-No. 2) issued May 19, 1967, to Reeh, Inc., 208 South 10th, Blair, Nebr., authorizing the transportation of: Glass bottles and jars, steel drums and cans, and beer keeping equipment and supplies, between specified points in Illinois, Iowa, Ohio, Georgia, California, Texas, and points in Colorado, Iowa, Kansas, Minnesota, Montana, Nebraska, North Dakota, South Dakota, Wisconsin, Michigan, and Wyoming.

[SEAL]

H. NEIL GARSON,
Secretary.

[P.R. Doc. 67-8399; Filed, July 19, 1967;
8:49 a.m.]

CUMULATIVE LIST OF PARTS AFFECTED—JULY

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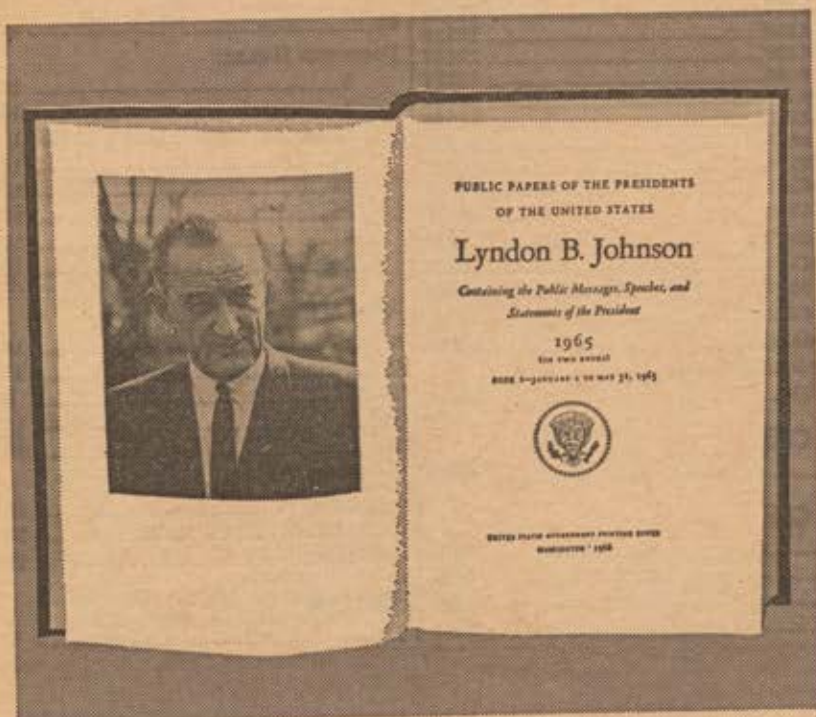
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